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General Assembly
Sixty-fifth session

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Fifth Committee

Summary record of the 31st meeting
Held at Headquarters, New York, on Friday, 25 March 2011, at 4 p.m.

Chair: Mr. Rosenthal ..... (Guatemala)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

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Completion of the work of the Fifth Committee at the first part of the resumed sixty-fifth session of the General Assembly

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11-27756 (E)

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The meeting was called to order at 4.30 p.m.

Agenda item 129: Programme budget for the biennium 2010-2011 (*continued*)

Special subjects relating to the programme budget for the biennium 2010-2011 (A/C.5/65/L.27)

Draft resolution A/C.5/65/L.27: Special subjects relating to the programme budget for the biennium 2010-2011

1. *Draft resolution A/C.5/65/L.27 was adopted.*

Capital master plan (A/C.5/65/L.28)

Draft resolution A/C.5/65/L.28: Capital master plan

2. *Draft resolution A/C.5/65/L.28 was adopted.*

Agenda item 135: Joint Inspection Unit (*continued*) (A/C.5/65/L.29)

Draft resolution A/C.5/65/L.29: Report of the Joint Inspection Unit for 2010 and programme of work for 2011

3. *Draft resolution A/C.5/65/L.29 was adopted.*

Completion of the work of the Fifth Committee at the first part of the resumed sixty-fifth session of the General Assembly

4. **Mr. Sugiura** (Japan) said that his delegation attached great importance to section IV of the resolution on special subjects relating to the programme budget for the biennium 2010-2011 (A/C.5/65/L.27), concerning standards of accommodation for air travel, and would follow up on its implementation with a view to achieving a more effective and efficient utilization of resources. It also strongly believed that the Committee should make every effort to improve the effectiveness and efficiency of its own working methods. Having successfully completed its work at the first part of the resumed session in three weeks, for the second year running, the Committee should continue to apply best practice in that area in the future. It could also enhance the effectiveness and efficiency of its discussions through better allocation of time for coordination meetings.

5. His country was deeply grateful for the condolences and assistance received from some 130 countries, 30 international organizations, and people all around the world after the recent earthquake and tsunami. Such cooperation would undoubtedly help the Japanese people to recover from the unprecedented crisis they now faced.

6. **The Chair** expressed the Committee's best wishes to Mr. Abelian, Secretary of the Committee, who had been appointed Director of the Security Council Affairs Division, and thanked him for his outstanding work over the past eight years.

7. **Mr. Abelian** (Secretary of the Committee) paid tribute to the work of the members of the Fifth Committee and thanked the current Chair and Bureau, as well as their predecessors, for their constant support and understanding.

8. **Ms. Kane** (Under-Secretary-General for Management) announced that the new Secretary of the Committee would be Ms. Van Buerle, Director of the Programme Planning and Budget Division.

9. After an exchange of courtesies, and expressions of farewell to the outgoing Secretary of the Committee, in which **Ms. Melon** (Argentina), speaking on behalf of the Group of 77 and China, **Ms. Reich** (Hungary), speaking on behalf of the European Union, **Ms. Pakarati** (Chile), speaking on behalf of the Rio Group, **Mr. Coffi** (Côte d'Ivoire), speaking on behalf of the Group of African States, **Ms. White** (Australia), speaking also on behalf of Canada and New Zealand, **Mr. Sugiura** (Japan), **Mr. Fermín** (Dominican Republic), **Mr. Kägi** (Switzerland), **Ms. Berlanga** (Mexico), **Mr. Hunte** (Antigua and Barbuda), speaking on behalf of the Caribbean Community (CARICOM), **Mr. Lieberman** (United States of America), **Mr. Prokhorov** (Russian Federation), **Mr. El-Shinawy** (Egypt) and **Mr. Orina** (Kenya) took part, **the Chair** declared that the Fifth Committee had completed its work at the first part of the resumed sixty-fifth session of the General Assembly.

The meeting rose at 5.30 p.m.

United Nations A/C.5/65/SR.32

General Assembly
Sixty-fifth session

Official Records

Distr.: General
6 September 2011

Original: English

Fifth Committee

Summary record of the 32nd meeting
Held at Headquarters, New York, on Monday, 2 May 2011, at 10 a.m.

Chair: Mr. Rosenthal ..... (Guatemala)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

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Organization of work

Agenda item 127: Financial reports and audited financial statements, and reports of the Board of Auditors (*continued*)

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11-31842 (E)

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The meeting was called to order at 10.15 a.m.

Organization of work (A/C.5/65/L.30)

1. **The Chair** drew attention to the proposed tentative and provisional programme of work of the Committee for the second part of the resumed sixty-fifth session, prepared on the basis of the note by the Secretariat on the status of preparedness of documentation (A/C.5/65/L.30). The Bureau proposed that the Committee should adopt the tentative programme of work for the first week, on the understanding that the programme for the remaining weeks would be adjusted as necessary in the course of the session.

2. **Ms. Melon** (Argentina), speaking on behalf of the Group of 77 and China, said that the Group was convinced that the Committee would bring its deliberations to a successful conclusion by the scheduled completion date, despite its demanding workload. Adequate time should be allocated to the consideration of all items on the Committee's agenda. The Group expected that, in accordance with past practice, and as indicated by the Chair, the programme of work would be reviewed and amended after the first week, as required.

3. The length of time that had elapsed since the last review of troop cost reimbursements, in 1992, and the subsequent ad hoc increase in 2002 was a matter of serious concern to the Group. The General Assembly should approve an ad hoc increase in troop cost reimbursements during the current part of the resumed session in order to alleviate the financial burden on troop-contributing countries arising from inflation factors. The current situation posed a serious threat to the sustainability of those countries' participation in peacekeeping operations.

4. The Group reiterated the importance of receiving all relevant documentation in a timely manner, in order to allow for analysis and assessment by delegations. It acknowledged the efforts made by the Secretariat and other relevant bodies to ensure the availability of most of the required documentation before the start of the session.

5. **Mr. Körösi** (Hungary), speaking on behalf of the European Union; the candidate countries Croatia, Montenegro and the former Yugoslav Republic of Macedonia; the stabilization and association process countries Albania, Bosnia and Herzegovina and Serbia; and, in addition, Georgia, Liechtenstein and the Republic of Moldova, said that the European Union was confident that all Member States would demonstrate the same flexibility in the second part of the resumed session as they had during the first part, so that the Committee could conclude its work within the scheduled time frame.

6. The European Union commended the hard work and commitment of all United Nations personnel involved in peacekeeping activities and paid tribute to those who had lost their lives while serving as United Nations peacekeepers. Peacekeeping remained an important priority for the European Union and it was committed to providing the necessary resources for peacekeeping missions to fulfil their mandates. At the same time, given the financial constraints facing all Member States, strict budgetary discipline was needed to ensure that all resources requested were truly required and were used effectively, efficiently and transparently. While the European Union was aware that some troop-contributing countries were calling for an ad hoc increase in troop cost reimbursements, it was not convinced that it was advisable to depart from the process established by the General Assembly in its resolution 63/285.

7. The European Union continued to strongly support the implementation of the global field support strategy. The Secretariat should work to ensure that the strategy led to economies of scale and savings, as well as to strengthened accountability and improved service delivery on a global and regional basis, thereby facilitating more rapid and effective deployment of missions. As the strategy continued to be developed, a fuller picture of its impact and achievements would be needed. With regard to closed peacekeeping missions, it was regrettable that the cash surpluses of $230.7 million available for credit to Member States had not yet been returned in full to Member States, in line with the Financial Regulations and Rules of the United Nations.

8. Lastly, the European Union stressed the importance of the timely issuance and translation of documents into all official languages before the beginning of the session. While the Secretariat and the Advisory Committee had achieved welcome improvements in that regard, it was regrettable that some documents were still not available at the start of the second part of the resumed session.

9. **Mr. Coffi** (Côte d'Ivoire), speaking on behalf of the Group of African States, said that the Group commended the Advisory Committee for having issued all its reports before the start of the current part of the resumed session. It was the first time in at least five years that that had been achieved.

10. The increase in the number of peacekeeping operations and peacekeepers, and in the level of peacekeeping budgets, was a clear indication that those operations were vital for regions, including Africa, that were affected by conflicts or in post-conflict situations. The Group therefore attached great importance to the allocation of the right budget to each peacekeeping operation under consideration.

11. **Mr. Sugiura** (Japan) said that, while his delegation noted with appreciation the improvement in the status of preparedness of documentation, it requested that the Secretariat should submit its revised estimates in respect of special political missions without delay and also that the Advisory Committee should submit its report on the issue in a timely manner, so that the current session could be concluded by the scheduled date.

12. His delegation reiterated its strong commitment to United Nations peacekeeping and paid tribute to those who had lost their lives while serving as peacekeepers. It shared the Secretariat's view that United Nations peacekeeping was now in a period of consolidation. It also concurred with the Advisory Committee that such consolidation could lead to a reduction in resource requirements and that the more stable level of peacekeeping activity should allow for an intensified focus on the implementation of mandates in a more effective and cost-efficient manner. In that connection, it looked forward to receiving an update on the progress made in the implementation of the global field support strategy.

13. It was to be hoped that the improved conditions of service now applicable to staff serving in peacekeeping operations, following the adoption of General Assembly resolution 65/248, would attract more competent people and lead to lower vacancy rates. He invited the Secretariat to explain its efforts to achieve savings and efficiency gains, including in relation to the global field support strategy and the absorption within existing resources of the additional costs related to arrangements for the harmonization of conditions of service pursuant to General Assembly resolution 65/248.

14. With regard to closed peacekeeping missions, the length of time that had elapsed since cash surpluses available for credit to Member States had been returned to Member States was a matter of concern. Delegations should strive to reach a consensus on that issue during the current session.

15. Lastly, the Committee itself should work effectively and efficiently to ensure that the session was concluded within the scheduled time frame. An undisciplined extension of the Committee's deliberations could affect the implementation of the mandated programmes and activities of the United Nations.

16. **Mr. Torsella** (United States of America) said that peacekeeping was at the heart of the Organization's role in the world. The Committee had an obligation to honour the sacrifice and service of United Nations peacekeepers by ensuring that adequate resources were made available for them to carry out their tasks safely and effectively, and that all the funds entrusted by Member States to the Organization's peacekeeping operations were spent wisely and well. Although those goals were sometimes presented as conflicting, his delegation believed firmly that they were not. If a balanced and strategic approach was adopted, they were in fact complementary and mutually reinforcing. The financial constraints facing Governments in the current global economic climate were another reason for seeking efficiencies, a task that was made more challenging by the size of peacekeeping budgets and the growing breadth of peacekeeping mandates. His delegation had been encouraged by the Secretary-General's recent efforts to improve budgetary discipline under the regular budget and looked forward to seeing similar discipline in respect of peacekeeping budgets. The trend towards fiscally responsible and realistic budgets should be continued and further efficiencies should be identified in ongoing operations. In that regard, his delegation noted with satisfaction that requirements relating to the harmonization of conditions of service were to be met within existing resources. Should the General Assembly adopt the recommendations of the Working Group on Contingent-Owned Equipment, those requirements would also need to be met within existing peacekeeping budgets.

17. His delegation commended the Under-Secretary-General for Field Support and her staff at Headquarters and in the field for their work in implementing the global field support strategy. A solid foundation was being laid for the establishment of all the integrated components of the strategy, with the continued support of Member States, and for the achievement of its core objectives.

18. His delegation, noting that requirements for air operations for the 2011/12 period were again expected to exceed $1 billion, emphasized the absolute necessity of ensuring the safest possible air movement for all United Nations personnel. It welcomed the efficiencies that were being achieved, without compromising safety, through the establishment of the Transportation and Movements Integrated Control Centre at the Regional Service Centre at Entebbe and through improved fuel efficiency, now a principal objective of the Strategic Air Operations Centre at Brindisi. It looked forward to the identification of further cost-control measures.

19. Lastly, the policy of zero tolerance of sexual exploitation and abuse in peacekeeping must be fully enforced. While the steps taken to implement the Organization's comprehensive package of reforms to prevent such acts, enforce United Nations standards of conduct and address the needs of victims were encouraging, and the overall number of allegations of such misconduct had decreased, his delegation remained extremely concerned at the continued allegations of the most deplorable and shocking acts. All cases of misconduct must be investigated, and those found guilty must be punished without delay in accordance with due process of law. Follow-up, including reporting on actions taken at the national level, should also be performed in a timely manner.

20. **Mr. Yarovyi** (Ukraine) said that the Committee's consideration of the administrative and budgetary aspects of United Nations peacekeeping at the current session was essential for the further development of the Organization. With United Nations peacekeeping now entering a consolidation phase after a period of strong development, efforts should be made to implement qualitative rather than quantitative changes and, in particular, to resolve the outstanding issues that had become evident.

21. His delegation was committed to ensuring the fulfilment of financial obligations to peacekeeping missions and concurred with other delegations regarding the importance of strict budgetary discipline for the transparent and efficient use of resources. At the same time, a balance must be struck between ensuring the general functioning of the United Nations and adequately financing its peacekeeping activities. For that reason, his delegation, within the framework of the 2011 Working Group on Contingent-Owned Equipment, had proposed an increase in troop cost reimbursement rates. It hoped that the Committee would give careful consideration to its proposal, the implementation of which should fill major gaps in peacekeeping, especially in the area of helicopter units and personnel.

22. **Ms. Pakarati** (Chile) said that her Government attached particular importance to the United Nations Stabilization Mission in Haiti (MINUSTAH) and had contributed troops, police and equipment to the Mission in order to help the people of Haiti achieve peace and sustainable development. MINUSTAH should be provided with the resources it required to remain in Haiti for as long as necessary, in line with the priorities of the Haitian Government and people.

23. Her delegation also attached great importance to cross-cutting issues. While welcome progress had been made in the approval of reimbursements to Member States, there was still room for improvement. Bearing in mind that reimbursements should be made in a timely and efficient manner, the Secretariat should continue to seek practical ways to address the issue and give equal treatment to all missions.

24. It was a matter of concern that the current rates of reimbursement offered to Member States might seriously affect the availability of human and material resources from troop-contributing countries, especially developing countries. Her delegation had participated actively in the 2011 Working Group on Contingent-Owned Equipment with a view to remedying that situation. In that connection, it welcomed the consensus reached by the Working Group on revised reimbursement rates for major equipment, self-sustainment and medical support services, though it regretted that the Group had not agreed on a substantial increase. The Working Group's recommendations fell short of her delegation's expectations, since ongoing inflation had placed an unprecedented financial burden on all troop-contributing countries. Consideration should be given, as an interim measure, to increasing the reimbursement of troop costs, in order to

compensate troop-contributing countries for the effects of inflation over the last decade.

25. In view of the current scope of United Nations peacekeeping operations and their central role in the maintenance of international peace and security, it was essential to continue to strengthen their operational capacity and organizational structure. The financing of each mission should therefore be analysed on its own merits.

26. Her delegation attached great importance to the global field support strategy, which could improve the efficiency and effectiveness of the Organization's peacekeeping operations. It would engage in constructive dialogue with other delegations in order to ensure the highest quality and effectiveness of the services provided to contingents on the ground. Lastly, she stressed the importance of the timely issuance of documentation. Late issuance and excessive length of reports undermined delegations' ability to analyse them in depth. It was also important to conclude the session by the scheduled date.

27. **Ms. Silveira** (Uruguay) said that developing countries made a huge effort to support the Organization by contributing human and material resources. Uruguay itself provided 2,450 military and police personnel for United Nations peacekeeping operations, which, together with replacement personnel, represented some 20 per cent of its total troop and police strength. Collective responsibility for maintaining international peace and security should be demonstrated not only in the Security Council or in General Assembly debates but also in the relevant budgetary and financial bodies, if the peacekeeping system was to continue to operate.

28. As the last review of troop cost reimbursements had taken place in 1992 and the subsequent ad hoc increase had been effected in 2002, her delegation considered that a new ad hoc increase should be approved, without prejudice to the review currently under way pursuant to General Assembly resolution 63/285, with a view to the continued participation of troops from Uruguay and from many other countries that were encountering difficulties in sending troops to increasingly dangerous missions with broad and complex mandates. Uruguayan troops no longer had any incentive to participate in peacekeeping operations and Uruguay had been forced to extend the tours of duty of its contingents in the various missions from six to nine months, since it had insufficient personnel for rotations. It had been obliged to withdraw an aircraft from MINUSTAH, owing to its inability to replace the necessary pilots and mechanics, and had also withdrawn one of the two naval units allocated to the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO). That was an extremely sad and worrying situation for Uruguay, which maintained its commitment to international peace and security and wished to continue contributing to peacekeeping operations, having done so throughout the history of United Nations peacekeeping.

29. Uruguay reiterated its request for payment of the $916,000 still owed to it by the Organization in respect of the United Nations Transitional Authority in Cambodia (UNTAC), closed in 1993. It had only received two partial payments of $60,000 each in respect of that mission, in 2008. It was deeply regrettable that the Organization should have owed money for so many years to those Member States that were most committed to peacekeeping, namely the troop-contributing countries. The cost of war was much greater than the cost of peacekeeping, not to mention the unquantifiable cost in human lives. While the current international financial climate clearly imposed certain constraints, there was a minimum level of flexibility below which the very survival of the system would start to be affected.

30. **Mr. González Segura** (Mexico) said that the success of peacekeeping operations was dependent on the establishment of clear, credible and viable mandates and the availability of sufficient material, military, police and civilian resources. As United Nations peacekeeping was now in a period of consolidation, it was logical that the estimated resource requirements for the period 2011/12 should be lower than those for the previous period. However, at a time of fiscal constraints, ongoing efforts were needed to make more efficient use of resources. His delegation therefore called on the Secretary-General to seek efficiencies in the implementation of the peacekeeping budgets consistent with the efforts already made in the context of the regular budget, without impairing their operational capacity to fully meet their respective mandates.

31. His delegation hoped that the Committee would quickly reach an agreement to provide MINUSTAH with the necessary resources to continue supporting the

Haitian Government and people. Regarding cross-cutting issues, it had taken note of the progress made in implementing the global field support strategy; it was vital to continue enhancing the quality and efficiency of the services provided to peacekeeping operations through that strategy, which would ultimately also improve the efficiency and effectiveness of the Organization's use of resources. The actions and recommendations identified by the Advisory Committee and the Board of Auditors appeared highly relevant in that regard.

32. The elimination of sexual exploitation and abuse by United Nations personnel in the field remained a central concern. His delegation condemned all acts of exploitation and abuse and related offences, and reiterated its commitment to the zero-tolerance policy and the programmes and initiatives developed to prevent such abuses.

33. Lastly, his delegation understood the reluctance of some delegations to discuss matters that were not on the Committee's agenda for the current session, particularly the issue of troop cost reimbursement rates. However, it was also aware of the review of methodology currently being conducted pursuant to General Assembly resolution 63/285 and believed that, in order for the discussion to move forward, all relevant elements must be taken into account. It was therefore open to considering the issue, since flexibility should be shown by all stakeholders; the Organization's important work in that area must not be jeopardized.

34. **Ms. Takahashi** (Norway) said that, although United Nations peacekeeping was in a period of consolidation, overall demand for peacekeeping operations remained high. Her delegation agreed with the Advisory Committee that the more stable level of peacekeeping activity should allow for an intensified focus on effectiveness and cost-efficiency. Her delegation also shared the Advisory Committee's view on the need for comprehensive information on ongoing initiatives and supported its call for comprehensive reporting in respect of peacekeeping operations.

35. Recalling her Government's support for peacebuilding and system-wide coherence, she said that her delegation welcomed the focus on the challenges encountered in the transition from peacekeeping to peacebuilding. In that connection, it was important to bring to Member States' attention, not only in the context of the Fifth Committee but also in the governing bodies of the specialized agencies, funds and programmes, the factors that impeded the Organization's ability to function coherently and deliver on its mandates.

36. With regard to the global field support strategy, it was important to ensure that support packages could be easily adapted to the situation in each country and that procedures were not overly bureaucratic or cumbersome. Member States must also address shortfalls in support services that occurred when peacekeeping missions were winding down or transitioning to peacebuilding.

37. Her delegation noted with satisfaction that special measures for protection from sexual exploitation and abuse appeared to be having a positive effect. It welcomed the progress made in that regard and urged the Organization to continue assigning high priority to that issue.

38. **Mr. Brant** (Brazil) said that he fully supported the statements made by the representatives of Chile and Uruguay. Like all other Member States, troop-contributing countries, in particular those that were developing countries, were currently facing financial constraints. Recalling that it had been some time since troop cost reimbursements had last been reviewed, he said that the current situation was seriously jeopardizing the ability of troop-contributing countries to continue participating in peacekeeping operations. His delegation believed that it was vital to approve an increase in the reimbursement rate; maintaining the status quo was not an option, given the importance of peacekeeping to all Member States.

Agenda item 127: Financial reports and audited financial statements, and reports of the Board of Auditors (*continued*) (A/65/5 (Vol. II), A/65/719 and A/65/782)

39. **Mr. Liu** Yu (Chairman, Audit Operations Committee, United Nations Board of Auditors), introducing the Board of Auditors report on the United Nations peacekeeping operations for the 12-month period from 1 July 2009 to 30 June 2010 (A/65/5 (Vol. II)), said that the audit had been conducted in conformity with the International Standards on Auditing, which had been reissued with effect for accounting periods beginning on or after 15 December 2009. Although they were not mandatory, the Board

had chosen to apply the revised standards in forming the audit opinion on the United Nations peacekeeping operations for 2009/10. The Board had issued an unmodified audit opinion on the financial statements for the period under review. However, without qualifying its opinion, the Board had also drawn attention to deficiencies in the controls over expendable and non-expendable property.

40. Although there had been improvements in the physical verification of expendable and non-expendable property in the various missions, the Administration could not afford to be complacent given the high inherent risks to effective financial control and management in peacekeeping operations and the level of improvement that was still needed to tackle the weaknesses and concerns raised by the Board. Further efforts were needed to improve the custody and stewardship of assets and to ensure that accurate records were maintained.

41. The implementation by the Secretariat of the Umoja enterprise resource planning system and, in 2014, of the International Public Sector Accounting Standards (IPSAS) would bring about significant changes in asset stewardship. However, those initiatives would not remove the need for improved asset stewardship, nor would they diminish the importance of achieving good value for money by reducing unnecessary procurement associated with weak asset management.

42. The Board had noted weaknesses in the creation of unliquidated obligations in missions, and had identified approximately $26 million in obligations that did not meet the criteria for the creation of obligations. It had also noted the high level of unliquidated obligations raised towards the end of the period under review, which might indicate not only inadequate in-year budget management, but also a risk that missions were creating unliquidated obligations to reserve current-year funds for application in the following year. The Board was further concerned by the high incidence of cancellations of unliquidated obligations.

43. The level of resources required for the financing of the support account had continuously increased over the years, from $60 million in 2000/01 to $323 million in 2009/10. The Board's analysis and review of the support account indicated that specific criteria for the funding of posts by the support account had not been clear, nor had the justification for those posts been supported by workload statistics.

44. The Board had continued to observe deficiencies in the procurement and contract management processes in 2009/10, including a particularly high-risk case in the African Union-United Nations Hybrid Operation in Darfur (UNAMID).

45. High vacancy rates continued to be an issue. At several missions, some posts had remained vacant for long periods of time without any recruitment action. In one case, the delay had been approximately 10 years. Such extended vacancies might indicate that the posts were no longer required.

46. The peacekeeping operations were following the same timetable for the implementation of IPSAS as the United Nations Secretariat. However, given the scale and value of their activities, the Board was of the view that due consideration should be given, both at Headquarters and in the missions, to the distinctive needs of the peacekeeping operations in relation to IPSAS. The Board would report to the General Assembly on the progress made by the main United Nations entities towards implementation of IPSAS at the start of the Assembly's sixty-sixth session.

47. The Board's audit had already yielded some positive results: the Administration had cancelled more than $26 million in unliquidated obligations; many vacant posts had been abolished, including 104 posts in the United Nations Interim Force in Lebanon; UNAMID had reduced its air operations by two aircraft and had reduced the number of vehicles in its 2011/12 budget; and the Office of Internal Oversight Services (OIOS) had been requested to investigate the high-risk procurement case in UNAMID.

48. **Mr. Baez** (Chief, Policy and Oversight Coordination Service), introducing the Secretary-General's report on implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2010 (A/65/719), said that the report showed the status of implementation of the Board's recommendations, the office responsible, the estimated completion date and the priority accorded to each recommendation. The rate of implementation of those recommendations had improved from 40 per cent in 2007/08 to 44 per cent in 2008/09. At the time of publication of the Board's report, the implementation rate had been 63 per cent.

49. While the Secretariat had been pleased with the improvement, it agreed with the Board that it could not afford to be complacent. The Secretary-General would therefore continue his efforts to ensure timely implementation of all accepted recommendations issued by the Board and all oversight bodies.

50. **Mr. Kelapile** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's related report (A/65/782), said that the Advisory Committee commended the Board of Auditors for the continued high quality of the Board's report and welcomed its timely submission during the early part of the Advisory Committee's session. It also welcomed the timely submission by the Secretary-General of his report on the implementation of the Board's recommendations.

51. Recalling the Board's conclusion that the financial and administrative management of peacekeeping operations had improved since the previous period, he said the Advisory Committee expected that the trend would be sustained in forthcoming financial periods.

52. Although the Board had issued an unmodified audit opinion on the financial statements for the period 2009/10, the Advisory Committee noted that the Board had highlighted expendable and non-expendable property as areas of concern. The Advisory Committee shared that concern, particularly in view of the IPSAS requirement that such property should be fully disclosed.

53. The Advisory Committee expected that senior management would make every effort to ensure that the requirements under the new standards were fully met. While the new enterprise resource planning system was generally expected to remedy most of the asset management deficiencies, the introduction of a new information technology system would not, by itself, resolve accountability issues if systemic shortcomings were allowed to persist.

54. The Advisory Committee was deeply concerned about the systemic shortcomings identified by the Board over the course of several financial periods, as well as recurring and interrelated problems. Given the level of resources invested in peacekeeping operations, the chronic deficiencies in the management and administration of those operations, as reported by the Board, exposed the Organization to an unnecessary level of financial risk. The Advisory Committee therefore urged greater managerial action in response to the shortcomings identified by the Board.

55. Another source of concern was that the findings on results-based budgeting by the Board and other oversight bodies had made little or no impact on how the results-based budgeting framework was presented and implemented. Given the limited progress that had been made since the inception of the results-based budgeting framework in 2001, and its role in the budgetary review process, the Advisory Committee was of the view that the framework's feasibility, in particular for peacekeeping operations, needed to be thoroughly assessed. In that connection, it looked forward to the proposals resulting from the work of the Results-based Management Task Force, which were to be presented to the General Assembly at its sixty-sixth session.

56. The Board had expressed a willingness to conduct performance audits, which, in its view, would enhance the audit service provided to the General Assembly and the Administration. In view of the further consultations that the Board was currently undertaking, and subject to guidance from the General Assembly, the Advisory Committee would review the matter at the appropriate time, should a formal proposal arise from those consultations.

57. **Mr. Di Luca** (Argentina), speaking on behalf of the Group of 77 and China, said that the Group noted with satisfaction that there had been an improvement in the financial and administrative management of peacekeeping operations. It trusted that the trend would be sustained in forthcoming financial periods. Particular attention should be paid to systemic shortcomings, as well as recurring and interrelated problems, such as the low rate of implementation of the Board's recommendations and deficiencies in the management and administration of peacekeeping operations.

58. The Group stressed the importance of implementing the Board's recommendations fully, promptly and efficiently. The Secretariat should take practical measures to set the time frame and priorities for the implementation of those recommendations and to hold managers accountable. The Secretariat should also identify the root causes of recurrent issues and minimize the ageing of recommendations. In that connection, the Group was concerned to note that,

although there had been a slight improvement in the period 2008/09, the implementation rate remained less than 50 per cent.

59. While the Board had found some improvement in respect of expendable and non-expendable property in the various missions, its long-standing concerns had not been adequately addressed. The Group concurred with the Board that the Administration needed to further strengthen controls over such property and address the causes of the deficiencies identified. His delegation would welcome further clarification from the Secretariat regarding its assertion that disclosure of expendable property required considerable administrative resources in order to attain, maintain and validate underlying data. The Group also agreed with the Advisory Committee that the introduction of an enterprise resource planning system would not, by itself, resolve related accountability issues.

60. The Group was concerned about the large amount of unliquidated obligations in missions and the practice of creating such obligations towards the end of the financial period. The Administration should strengthen budget control and management in order to avoid such practices in future.

61. With regard to IPSAS, the Group agreed with the Board that due consideration should be given to the distinctive needs of peacekeeping operations. His delegation would welcome further information on plans and preparations for the implementation of IPSAS. Production by the Administration of annual, instead of biennial, financial statements under IPSAS would have an impact on the resource requirements of the Board, which would then be required to conduct annual financial audits. Therefore, the role and the resources of the Board should be considered in advance of the planned implementation of IPSAS in 2014.

62. The Group appreciated the Advisory Committee's comments on the global field support strategy and looked forward to receiving the Board's comments and recommendations on that issue in a future report.

63. Lastly, the Group noted with interest that the Board had expressed a willingness to conduct performance audits, which, in the Board's view, would enhance the audit service provided to the General Assembly and the Administration.

64. **Ms. Reich** (Hungary), speaking on behalf of the European Union; the candidate countries Croatia, Montenegro and the former Yugoslav Republic of Macedonia; the stabilization and association process countries Albania and Bosnia and Herzegovina; and, in addition, Georgia, Liechtenstein, the Republic of Moldova and Ukraine, said that despite the improvement in the financial and administrative management of peacekeeping operations, the European Union shared the Advisory Committee's deep concerns about systemic shortcomings and recurring problems. The European Union also shared the Board's concern about the lack of a proper response to deficiencies in the controls over expendable and non-expendable property. The Organization should take measures to strengthen asset management and ensure that adequate safeguards were in place to prevent waste and financial loss.

65. The recurrence of problems previously identified by the Board and the persistent failure to implement its recommendations were a matter of concern, as were weaknesses in the creation of unliquidated obligations in missions and the high incidence of cancellation of such obligations, as well as the ongoing deficiencies in the procurement and contract management processes.

66. The European Union was disturbed by the recurrence of human resource-related recommendations and shared the Board's concern about the high vacancy rates in peacekeeping missions. The long-standing vacancies in certain missions were a clear indication that the relevant posts were no longer needed. The proposed budgets for those missions should reflect actual personnel needs.

67. The European Union was concerned to note that, in the period 2009/10, assessed contributions receivable outstanding for more than two years had represented 41 per cent of total assessed contributions receivable, an increase of 2 per cent over the previous period. In order for peacekeeping operations to fulfil their mandates effectively, it was vital that Member States should pay their assessed contributions in full, on time and without conditions.

68. **Mr. Yamada** (Japan) said that his delegation shared the concern of the Board and the Advisory Committee regarding the recurrence of certain issues and recommendations. It trusted that the Secretariat would continue its efforts to address those issues and implement those recommendations, thus avoiding their recurrence in future audits.

69. Recalling General Assembly resolution 64/268, in which the Secretary-General was requested to indicate an expected time frame for the implementation of the Board's recommendations and the priorities for their implementation, he said that his delegation wished to receive a full explanation of the delays in the implementation of all outstanding recommendations of the Board. It looked forward to learning the root causes of recurring problems and the remedies the Secretariat proposed, as well as the interim measures that had been taken to implement outstanding recommendations.

70. The Secretary-General should explain the deficiencies in controls over expendable and non-expendable property and the challenges faced in managing strategic deployment stocks. In particular, his delegation wished to know why the Administration did not agree with the Board's recommendation on full and complete physical verification of non-expendable property. His delegation also noted with concern that missions had procured items that were available in strategic deployment stocks.

71. His delegation would welcome a detailed explanation fi om the Secretariat on how it intended to address unliquidated obligations, which had amounted to $1.38 billion as at 30 June 2010, and the high level of unliquidated obligations raised towards the end of the period under review.

72. The cancellation of unliquidated obligations was another source of concern for his delegation, as the practice seemed intended to create an unbudgeted reserve for the Secretariat. The high level of cancellations also raised questions about the correctness of the amounts initially budgeted. His delegation looked forward to discussing the issue, with a view to minimizing the level of cancellations in future periods.

73. Lastly, his delegation was concerned about several procurement issues, including, inter alia, the Administration's refusal to accept the Board's recommendation that it should ensure strict compliance by all missions with the requirements of the Procurement Manual relating to minimum time frames. It was also concerned about the increase in the number of ex post facto cases submitted to the Headquarters Committee on Contracts, in particular the two contracts, valued at $103 million, that had been awarded by UNAMID to two vendors without documented justification for the acceptance of a bid that had been submitted after the tender closing date. In that connection, his delegation looked forward to learning the results of the OIOS review of the manner in which the two contracts had been awarded.

The meeting rose at noon.

United Nations A/C.5/65/SR.33

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Chairman: Mr. Rosenthal ..... (Guatemala)
later: Ms. Stoica (Vice-Chair) ..... (Romania)
later: Mr. Rosenthal (Chair) ..... (Guatemala)

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Agenda item 143: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

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The meeting was called to order at 10.15 a.m.

Agenda item 143: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/65/271 (Part II), A/65/643, A/65/644 and Corr.1, A/65/696 and Corr.1, A/65/715, A/65/738, A/65/742 and A/65/743; A/C.5/65/17)

1. **Mr. Yamazaki** (Controller), introducing the report of the Secretary-General on the overview of the financing of the United Nations peacekeeping operations (A/65/715) and the note by the Secretary-General on proposed budgetary levels for peacekeeping operations for the period from 1 July 2011 to 30 June 2012 (A/C.5/65/17), said that peacekeeping had experienced a shift over the last year, with one mission — the United Nations Mission in the Central African Republic and Chad (MINURCAT) — closing and others moving towards consolidation, drawdown or transition. There would be a decrease in 2011/12 in the number of military observers, military contingents and United Nations police in several missions. The largest anticipated increase in resources for the period would be for United Nations support for the African Union Mission in Somalia (AMISOM), owing to an increase in maximum troop strength for AMISOM from 8,000 to 12,000. The estimates set out in the report included the additional costs of harmonization of conditions of service.

2. The report provided information on budget performance for 2009/10, including planned and actual vacancy rates, and proposed resource levels for 2011/12, including examples of efficiency gains and management initiatives in field missions. It also provided updated information on budget formulation and presentation, human resources management issues, operational requirements, conduct and discipline, the status of the Peacekeeping Reserve Fund, liabilities to troop-contributing countries, and death and disability compensation.

3. The total approved budget for 2009/10 had amounted to $7.98 billion, including sums for the United Nations Logistics Base at Brindisi and the support account for peacekeeping operations. The related expenditure had amounted to $7.58 billion, resulting in an overall unencumbered balance of $0.4 billion and an overall budget implementation rate of 94.9 per cent, compared to 97.2 per cent for 2008/09. Budget implementation rates had improved for 3 operations and for the Logistics Base and the support account, while they had decreased for 11 operations. The main factors affecting budget performance in 2009/10 were summarized, by mission, in chapter II of the report.

4. The total peacekeeping budget level for 2011/12, inclusive of the Logistics Base and the support account, was $7.6 billion, which was 3 per cent lower than the approved budget level for 2010/11.

5. Measures approved by the General Assembly in its resolution 65/248 regarding conditions of service in the field, which would take effect from 1 July 2011, would expand the designation of family duty stations, introduce an additional hardship allowance for staff remaining in non-family duty stations and provide for travel costs for staff in non-family duty stations to visit a designated location in relation to existing rest and recuperation entitlements. The General Assembly had decided that the additional cost of the harmonization, estimated at $82.6 million, would be absorbed by the Organization within existing resources. To absorb those costs, the initial proposal was to abolish 349 international Professional posts and nationalize 330 Field Service posts in peacekeeping missions. The staffing reductions had been limited to lower-priority posts, especially those which had been vacant for some time.

6. International staff costs for 2011/12 had been estimated on the basis of the base salary scales effective January 2011, taking into account mission-specific post adjustment multipliers. Common staff costs had been calculated using the ratio of common staff costs to salaries based on average expenditure in 2009/10 and in the first six months of 2010/11, with provisions included for the harmonization of conditions of service where applicable, calculated for each mission.

7. Efficiency gains expected to be derived from improvements of logistical, administrative and security support to the missions were estimated at $20.6 million; examples were provided in table 7 of the report. Table 8 showed examples of initiatives to be implemented in 2011/12 that affected the use of resources. Details of efficiency gains and management initiatives were included in the budget proposal for each mission.

8. The proposed requirements for 2011/12 by peacekeeping mission were set out in table 9, while table 10 contained information on the main factors

affecting the changes in resource requirements for each mission. Information on the proposed budgetary levels for 2011/12 for all peacekeeping operations, including the Logistics Base and the support account, was also contained in the note by the Secretary-General (A/C.5/65/17).

9. The General Assembly was requested to take note of the Secretary-General's report (A/65/715).

10. **Ms. Malcorra** (Under-Secretary-General for Field Support), commenting on the overview report just introduced (A/65/715), said that peacekeeping was in a consolidation phase: no new missions had been established in 2010, MINURCAT had completed its liquidation on 30 April 2010, and the United Nations Mission in Liberia (UNMIL) and the United Nations Integrated Mission in Timor-Leste (UNMIT) were drawing down and preparing for transition. At the same time, challenges remained owing to austere, remote and volatile operational environments, spoilers and attacks on civilian populations, gaps between mandates and capabilities, and sustained demand for strategic and operational support to peacekeeping and special political missions.

11. The Department of Field Support was focused on improving field operations worldwide through the implementation of a new service delivery model that used standardization to achieve efficiencies through specialization, optimization of resource and supply chain management, and increased transparency and accountability. Peacekeeping demands would remain high in 2011/12: the African Union-United Nations Hybrid Operation in Darfur (UNAMID) was expected to increase to near-full strength; the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO) continued to face intense challenges; the Security Council had agreed to a 50-per-cent increase in the strength of AMISOM; and recovery efforts by the United Nations Stabilization Mission in Haiti (MINUSTAH) would continue.

12. The harmonized package of conditions of service for United Nations personnel would help ease the challenge of recruiting and retaining staff in peacekeeping operations and special political missions. The impact of the post reductions made to absorb the cost of the package would be evident in the budgets of peacekeeping operations.

13. Peacekeeping continued to face a relatively high overall vacancy rate, which had stood at 23.1 per cent as at 31 October 2010. That rate had decreased to 20.2 per cent as at the end of February 2011, reflecting efforts to speed up recruitment through the use of rosters and the deployment of recruitment assistance teams to the missions facing the greatest staffing challenges. Thus far, the field central review body had endorsed over 5,000 candidates, 40 per cent of whom were external candidates.

14. The report provided details on operational requirements relating to ground transportation, fuel management, rations and regional initiatives in information and communications technology. Air operations were covered in a separate report (A/65/738), while proposals that operational responsibilities for the delivery of support services should be transferred to the Global Service Centre were presented in the proposed 2011/12 budget for the Logistics Base (A/65/760) and were reflected in the report on the implementation of the global field support strategy (A/65/643).

15. Property management was an area of concern: the Department was working to address issues highlighted by the Board of Auditors in its report (A/65/5 (Vol. II)). While the Board had noted improvement in the physical property count, key performance indicators and centralized monitoring had been introduced to maintain control over non-expendable property. A new categorization system for expendable property was being incorporated into Galileo to enable managers to reduce inventory levels through better planning and control. Turnkey contracts had proved effective in providing such commodities as rations and fuel to the field. Given the importance of such measures for the implementation of the International Public Sector Accounting Standards (IPSAS), the Department would continue its efforts in the upcoming year.

16. Turning to environmental policy, she said that sound environmental management improved the operational capabilities of field missions, the health, safety and security of personnel and local communities, and public perception of the United Nations. By 2012, the Transportation and Movements Integrated Control Centre was expected to reduce fuel consumption and related greenhouse gas emissions in peacekeeping missions by 11 per cent compared to 2008. Better control over the use of the vehicle fleet would also have positive financial and environmental impacts. Projects under development in missions included wastewater treatment and reuse, waste

reduction, recycling and proper waste disposal. Training materials were being produced to support the implementation of the Environmental Policy for United Nations field missions.

17. The report of the Secretary-General on United Nations air operations (A/65/738) provided an overview of current United Nations global air operations and highlighted the growth in their size and costs. As at 30 September 2010, the aviation fleet had comprised 257 aircraft supporting 20 field missions; 61 per cent of those assets belonged to MONUSCO, UNAMID and the United Nations Mission in the Sudan (UNMIS). The fleet had now been reduced to 237 aircraft.

18. In recent years, the rise in the costs of aircraft chartering, aviation fuel and ancillary support had increased the direct operating costs of air support beyond the level attributable to increases in fleet size or the number of missions supported. The report outlined initiatives to achieve more efficient and effective management of air operations while ensuring the safety of personnel and responsiveness to operational needs.

19. The report of the Secretary-General on the progress of training in peacekeeping (A/65/644 and Corr.1) built on the new directions summarized in the 2009 report on that subject (A/63/680). It detailed improvements in all phases of the training cycle, including the identification and prioritization of needs, standard-setting, efficient delivery and new systems for evaluating the impact of training.

20. The Department of Peacekeeping Operations, Department of Political Affairs and Department of Field Support were committed to preventing and addressing misconduct in field operations, which had been the focus of sustained efforts in the field and at Headquarters. Over the previous five years, the structures, preventive measures, and awareness-raising and training activities put in place had reduced reports of misconduct. The number of sexual exploitation and abuse allegations had declined from 340 in 2005 to 85 in 2010. The three Departments would not rest until that number reached zero. Partnership between the United Nations and Member States in addressing the issue remained essential.

21. The report of the Secretary-General on progress in the implementation of the global field support strategy (A/65/643) mapped out the vision and plan for transforming the delivery of services to field missions and the steps taken to that end. The objectives included expediting and improving support for field operations, improving staff safety and living conditions, and adopting a cost-efficient corporate model to strategically programme, manage and distribute resources.

22. The report presented an overview of activities undertaken and results achieved in the first five months of implementation: the first service package, a module for a 200-person camp, had been defined and implemented in consultation with Member States and field missions; five functions had been identified for proposed transfer to the Global Service Centre; a Regional Service Centre had been established in Entebbe, Uganda; and a human resources framework was advancing in coordination with the Office of Human Resources Management.

23. The report of the Secretary-General on a standardized funding model of the global field support strategy (A/65/696 and Corr.1) presented a model that would serve as a tool to provide the financing modalities needed to expedite the start-up of new missions or the expansion of existing ones. By providing realistic assessments of the most critical needs in the first year of a mission and allowing the Secretary-General to better draw from reserves and strategic stocks, the model would facilitate more rapid deployment of the resources needed during the start-up period with improved financial management, transparency and accountability.

24. Driving organizational change was not easy, but the progress in the early stages of implementation of the plans set out in the latter two reports had been encouraging. The Department would consult regularly with Member States to ensure full transparency and an integrated approach with its partners.

25. Greater accountability in all areas was crucial. She welcomed the conclusion of the Board of Auditors that the financial and administrative management of peacekeeping operations had improved over the previous year. Further measures were being pursued: in 2010, the Secretary-General had for the first time signed a senior management compact with each of his special representatives and heads of mission to strengthen oversight and accountability. In addition, the new human resources management scorecard, which had superseded the Human Resources Action

Plan, would become operational in 2011 to ensure monitoring through the review of strategic and operational indicators.

26. She concluded by paying tribute to those who had lost their lives in the service of peace in a year that had seen a particularly heavy toll.

27. **Ms. de Miranda** (Office of Human Resources Management), introducing the report of the Secretary-General on special measures for protection from sexual exploitation and sexual abuse (A/65/742), said that the report contained data on allegations of sexual exploitation and abuse within the United Nations system from January to December 2010. Overall, the number of allegations reported had decreased to 116, compared with 154 in 2009, a reduction of 24 per cent. The number of allegations relating to peacekeeping personnel in 2010 had fallen to 85, compared with 112 in 2009. The decline could be attributed to the measures taken to combat sexual exploitation and abuse, especially by military personnel, which included enhanced training, welfare and recreation programmes and accountability measures.

28. As at 31 December 2010, investigations had been completed in respect of 74 per cent of allegations reported in 2008, 60 per cent of those reported in 2009 and 38 per cent of those reported in 2010.

29. The report also described prevention, enforcement and remediation measures taken by the Task Force on Protection from Sexual Exploitation and Abuse and the Conduct and Discipline Unit and Teams of the Department of Field Support to enforce United Nations standards of conduct. Such measures included the implementation of a new induction training programme on conduct and discipline; an improved information-sharing tool for the public website containing statistics on allegations of sexual exploitation and abuse; and the production of awareness-raising and public information materials. The Secretary-General was committed to a policy of zero tolerance for misconduct by peacekeeping personnel and, in partnership with the Member States, would maintain vigilance to eradicate it.

30. **Mr. Kelapile** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/65/743), said that the Advisory Committee shared the Secretary-General's view that the operational environments of peacekeeping missions remained dynamic and volatile; however, the current, more stable, level of activity should allow for an intensified focus on improving effectiveness and cost-efficiency. The consolidation of peacekeeping could thus potentially lead to a further reduction in the overall level of peacekeeping resources.

31. In human resources management, recent changes made by the General Assembly had established a framework for addressing many perennial human resources problems in peacekeeping. The focus should now shift to the implementation of those changes, which should have a demonstrable impact on such areas as staff recruitment and retention.

32. The Advisory Committee recognized that little time had been available before finalization of the peacekeeping budget proposals for 2011/12 to provide for the absorption of the costs related to the harmonization of conditions of service. It also noted that the initial list of posts to be abolished or nationalized had been reviewed in the field and that missions could propose adjustments to the specific posts involved. The Advisory Committee had no objection to the course of action proposed by the Secretary-General. The exercise had, however, highlighted the number of posts in peacekeeping that had remained vacant for long periods. The Advisory Committee reiterated the need for long-vacant posts to be reviewed regularly, particularly before proposals for new posts were made to the General Assembly.

33. With respect to air operations, the Secretary-General's report (A/65/738) highlighted their significance in peacekeeping in not only operational but also financial terms, at an annual cost of over $1 billion. Intensified efforts were necessary to manage global air operations more efficiently and effectively while ensuring the safety of personnel.

34. The move towards integrated global air fleet management was welcome; there was, however, an inherent tension between the current situation, in which all air assets were acquired on a mission-by-mission basis and the leadership of each mission was responsible for their utilization, and the benefits that could result from their global management. Further consideration should be given to how lines of authority and accountability could be properly aligned in the context of the global management of United Nations air assets.

35. On aviation safety, the Secretary-General had requested the General Assembly to take note of version 2 of the United Nations Common Aviation Safety Standards and his intention to promulgate them. The Advisory Committee's report provided additional information on the development of the standards and the relevant recommendations of the Joint Inspection Unit; it recommended that the Assembly should take that information into account in considering the actions proposed by the Secretary-General.

36. On the subject of conduct and discipline, the Advisory Committee welcomed the decline in the number of allegations of sexual exploitation and abuse involving peacekeeping personnel reported in 2010. It commended the joint efforts of the Secretary-General and troop-contributing countries in achieving those results and emphasized the need for sustained efforts in that area.

37. With regard to peacekeeping training, progress had been made in such areas as the setting of training standards. More effort was needed in other areas, particularly the monitoring and evaluation of training activities. The Secretary-General's report (A/65/644) highlighted the extent to which the delivery of peacekeeping training required collaboration and coordination among Secretariat departments. Much of that training consisted of courses that were mandatory for all civilian staff. At the same time, work on the evaluation of training in peacekeeping could have a broader application. Given those linkages, the General Assembly might wish to request the Secretary-General to provide a report on training in the Secretariat as a whole.

38. The global field support strategy was to be implemented over a five-year period starting in July 2010. As the first progress report (A/65/643) covered only the first five months of implementation, it was too early to draw conclusions as to the strategy's impact. The Advisory Committee's observations and recommendations were intended to help Member States understand the objectives and expected outcomes and to provide guidance on the format and content of future progress reports.

39. The governance and management arrangements put in place provided a good basis for consulting with Member States and managing the required change. The new service delivery model involved a large number of stakeholders in a geographically dispersed and complex environment. Robust governance and management arrangements would therefore be essential for achieving the strategy's intended objectives; the Advisory Committee had requested the Secretary-General to keep those arrangements under review and to make any necessary adjustments to ensure their continued operational effectiveness.

40. The Advisory Committee welcomed the progress made on predefined modules and service packages and the consultative approach taken in developing the first module for a 200-person camp. It looked forward to receiving an assessment of the initial phase in the next progress report.

41. On the reprofiling of the Logistics Base as the Global Service Centre, the Advisory Committee recommended approval of the Secretary-General's proposals to transfer five backstopping functions from Headquarters to the Global Service Centre at Brindisi. The Secretary-General should, however, elaborate on his proposals in order to provide Member States with a longer-term perspective on the Centre's organizational structure and operational role and on the staff and functions to be transferred from Headquarters. The Advisory Committee had made several observations on the process mapping exercise for identifying suitable functions for transfer and recommended that the Assembly should request the Secretary-General to provide more complete analysis when making proposals for the transfer of further functions.

42. The Advisory Committee had noted the progress and results achieved in providing common functions from the Regional Service Centre at Entebbe, as well as the Centre's governance and management framework, which should continue to facilitate timely decision-making and accountability and remain responsive to the needs of the missions served. It recommended that the Assembly should request the Secretary-General to provide an initial assessment of the effectiveness of the Regional Service Centre in the next performance report.

43. In its observations on the standardized funding model, the Advisory Committee had sought to clarify the methodology used to develop the standard costing factors underpinning the model. It encouraged the Secretary-General to further refine that methodology to include, in addition to the numerical methods applied in the first phase, an analysis of cost structures as they related to activities and outputs and a functional

analysis of existing posts. The formulation of budget proposals based on a standard funding model should not reduce the requirement for a full justification of the resources proposed for the first year of operation of new missions. The Advisory Committee welcomed the initiative to streamline and rationalize the budget process; it would offer further comments on the applicability of the model and on the format, content and presentation of first-year budget submissions when it considered the model's first application to a new mission.

44. The Advisory Committee did not support the Secretary-General's proposal for expanded commitment authority giving him access, for each Security Council decision to establish or expand a mission, to up to $150 million from the Peacekeeping Reserve Fund and strategic deployment stocks. The proposed standard funding model, which should expedite the development and approval of first-year budgets for new missions, should limit the need for recourse to additional financing.

45. **Ms. Lapointe** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services (OIOS) on peacekeeping operations during the period from 1 January to 31 December 2010 (A/65/271 (Part II)), said that the report provided an overview of the 195 oversight reports on peace operations prepared during the period.

46. The events that had befallen the United Nations Assistance Mission in Afghanistan (UNAMA) and MONUSCO were a reminder that staff members worked and lived in frequently unpredictable environments. Safety and security operations in MINURCAT, MINUSTAH, UNAMA, the United Nations Interim Force in Lebanon (UNIFIL) and the United Nations Operation in Côte d'Ivoire (UNOCI) had not been in full compliance with essential security standards. Aviation safety operations in MONUSCO, UNAMID and UNMIS had failed to ensure that critical risks were being systematically identified and acted upon in a timely manner. The Office had therefore urged that critical audit recommendations relating to the safety and security of United Nations operations should be implemented without delay.

47. In 2010, the Investigations Division of OIOS had issued 101 investigation reports on allegations involving United Nations staff members, volunteers and military and police personnel in peacekeeping operations. The Division had continued to address sexual exploitation and abuse, assault, corruption, forgery, fraud and misuse of resources. She was grateful to troop-contributing countries for their cooperation in ensuring timely investigations.

48. The Inspection and Evaluation Division had conducted programme evaluations of UNMIL and MINUSTAH, as well as a thematic evaluation of cooperation and coordination between the Department of Peacekeeping Operations and the Department of Field Support, on the one hand, and regional organizations, on the other, which would be presented to Member States in the coming days.

49. Since beginning her tenure in 2010, she had been committed to strengthening the Office. Representatives of all divisions of the Office had convened in February 2011 to formulate goals and strategies. Challenges included communications, client relations, planning and priority-setting. Actions to reduce vacancy rates throughout the Office were a particular priority. Over 50 recruitment actions had been completed since September 2010, but the total number of vacancies had been reduced by only 25 per cent. The Office aimed to fill as many vacancies as possible by the end of 2011. Successful candidates for the two long-standing D-2 vacancies had been identified and approved by the Secretary-General.

50. **Mr. Argüello** (Argentina), speaking on behalf of the Group of 77 and China, said that the Group attached great importance to cross-cutting policy issues concerning the administrative and budgetary aspects of the financing of peacekeeping operations. In that connection, the Group reaffirmed that the Fifth Committee was the appropriate Main Committee of the General Assembly entrusted with responsibilities for administrative and budgetary matters, including those related to peacekeeping operations.

51. While each peacekeeping mission was unique, resolutions on cross-cutting issues could serve as an important policy tool, providing the Department of Peacekeeping Operations and the Department of Field Support with comprehensive guidance on issues that were common to all operations. Given that all peacekeeping missions must be provided with the resources they required to fulfil their mandates, the delays in providing resources to some missions, particularly those in Africa, were a matter of concern.

52. The Group recognized the valuable contributions and sacrifices made by troop-contributing countries. It was important to expedite reimbursements to those countries, which were being forced to bear additional burdens because some Member States had not paid their assessments on time. Close consultations should be maintained with troop-contributing countries on all matters related to peacekeeping.

53. The Group's position was that the General Assembly must approve, at the second part of the resumed session, an increase in rates of reimbursement to troop-contributing countries. The last review of troop costs dated back to 1992, and the last ad hoc increase, to 2002. That situation placed a heavy financial burden on troop-contributing countries and jeopardized the sustainability of their participation.

54. The Group noted the review of the methodology for rates of reimbursement to troop-contributing countries endorsed by the General Assembly in resolution 63/285. The Working Group on Contingent-Owned Equipment should examine the results of the periodic surveys at the end of the current cycle and on a triennial basis thereafter in order to provide the Committee with technical guidance.

55. Member States had experienced difficulties in providing the data requested in the survey questionnaire. The Group called on the Secretary-General to intensify his efforts to work closely with troop-contributing countries in order to expedite data collection, including by making optimal use of the Working Group's expertise.

56. The Group unreservedly supported a zero-tolerance policy on sexual exploitation and abuse, and was deeply concerned at the increase in allegations involving civilian personnel acting on behalf of the Organization. The Group called on the Secretary-General to ensure that staff members showed respect for all cultures and did not discriminate against any individual or group or otherwise abuse their authority. At the same time, it was important to prevent unsubstantiated allegations of misconduct from damaging the credibility of peacekeeping operations and troop-contributing countries.

57. By its resolution 64/269, section II, paragraph 3, the General Assembly had decided to increase the level of compensation for death for all categories of uniformed personnel. The Group stressed the need to establish a mechanism for the periodic review of such compensation, taking into account the cost of living and inflationary factors; conduct a comprehensive review of death and disability claims; eliminate existing backlogs; and simplify and accelerate the processing of claims. It trusted that the Secretary-General would fully abide by the terms of the resolution.

58. The Group was deeply concerned at the information provided by the Chairman of the Advisory Committee concerning the implementation of resolution 65/248 and, in particular, the abolition of posts. The Secretary-General must fully respect the terms of that resolution, which provided that the harmonization of the conditions of service must not impact on operational costs or undermine the implementation of mandated programmes and activities.

59. **Ms. Schäfer** (Hungary), speaking on behalf of the European Union, said that peacekeeping operations had reached unprecedented size and scope in recent years. At the same time, one large peacekeeping mission had recently closed and others were being consolidated or were at the drawdown stage; those phases deserved greater attention.

60. The European Union was aware of the arguments in favour of an ad hoc increase in rates of reimbursement to troop-contributing countries, but was not convinced that a sufficient evidence-based case had been made for diverging from the process established by General Assembly resolution 63/285. It should be borne in mind that consensus-based decision-making was an essential component of the Committee's working methods.

61. The European Union took note of concerns that the current rates posed a serious threat to the participation of some troop-contributing countries. The overall sustainability of operations was of the utmost importance, and the current scale of assessments placed a disproportionate financial burden on some Member States. The European Union trusted that those Member States that could contribute more to the financing of the entire Organization, according to their share of the world economy and their capacity to pay, would do so for the next scale period. Concerns regarding the Organization's financial architecture must be addressed in order to ensure its financial sustainability.

62. **Mr. Lafortune** (Canada), speaking also on behalf of Australia and New Zealand, said that the growing

size and complexity of peacekeeping operations made it more urgent than ever for Member States to pay their assessed contributions in full and on time. The adoption of a cross-cutting resolution would help the Organization to increase the efficiency and effectiveness of peacekeeping operations, pursue targeted management reforms and address key thematic issues. Such a resolution represented a rare opportunity for Member States to provide guidance to the Secretariat on how to do more with less. The Committee's discussions should address all issues related to operational expenditures that were common to all peacekeeping operations, including fuel and rations management and air operations.

63. Although there had been an overall downward trend in reported cases of sexual exploitation and abuse, the percentage of cases involving minors had risen. That situation highlighted the vital role played by the Conduct and Discipline Teams and the need to allocate sufficient resources for enforcing conduct and discipline rules.

64. It would be difficult to address such challenges in mission-specific budgets. It was therefore necessary to adopt a cross-cutting resolution that addressed key issues, including the budget process, recruitment, conduct and discipline, inter-mission cooperation, improvements to business processes and the global field support strategy. By engaging with Member States, the Department of Field Support had appropriately recognized the concerns and inputs of troop- and police-contributing countries.

65. Australia, Canada and New Zealand welcomed the flexible manner in which resources had been allocated to support the referendum in South Sudan. That example highlighted the value of the Transportation and Movements Integrated Control Centre, suggesting that operational agilities and efficiencies could be further improved by regionalizing the appropriate functions and activities. Member States should reach a consensus on the next stages in developing and implementing the strategy. While it had been understood that the first year of the strategy would be cost-neutral, the current round of decisions must enhance the Department's ability to support peacekeepers while also generating efficiencies and savings.

66. It was important to reach an agreement on the accounts of closed peacekeeping operations. While the three delegations had reservations about some aspects of the proposal submitted by the Secretary-General, they believed that the time had come to find a solution.

67. **Mr. Kaegi** (Switzerland), speaking also on behalf of Liechtenstein, said that the two delegations appreciated the consultative and transparent approach to the implementation of the global field support strategy. The first progress report on the strategy (A/65/643) pointed to some improvements on the ground. It would be interesting to have further information on the experience acquired by the Regional Service Centre at Entebbe and the mapping exercise involving the Regional and Global Service Centres.

68. In view of the recurrent problem of overbudgeting, the two delegations looked forward to considering the alternative approach proposed by the Secretary-General (A/65/696), which was intended to standardize the funding model while protecting the legislative role of the General Assembly. Further information would be needed on how the funding model was linked to the use of the Peacekeeping Reserve Fund and strategic deployment stocks. The project would need some refinement, but had considerable merit and was aimed in the right direction.

69. **Mr. Shin Boo-nam** (Republic of Korea) said that in the current global economic climate, many Member States had been forced to reduce their expenditures. The proposed total peacekeeping budget for 2011/12 represented the second consecutive reduction in that budget since 2009/10. His delegation welcomed the Secretary-General's efforts to improve efficiency and his request that field missions should seek to reduce their budgets by 1 per cent. However, the overall budget implementation rate was still low, at 94.9 per cent in 2009/10. The Secretary-General should allocate resources in a more strategic manner and minimize possible overbudgeting practices.

70. The fluctuations in peacekeeping budgets that resulted from the dynamic and volatile environment of operations caused difficulties in long-term fiscal management. His delegation suggested that the Secretariat should present a provisional estimate for the next three to five years, on the basis of current missions.

71. His delegation welcomed the smooth implementation of the global field support strategy and

the proposal for a standardized funding model, which would expedite the budget process for the first year of peacekeeping operations and ensure timely start-up and deployment. As the most important component of the Organization's mission, the maintenance of international peace and security required adequate resources, which should be utilized with greater fiscal discipline.

72. **Mr. Tarar** (Pakistan), recalling that his country had since 2006 contributed over 10,600 uniformed personnel to nine United Nations peacekeeping operations, said that his delegation supported, in principle, the idea of an overview report on all operational and related aspects of peacekeeping operations. Resolutions on cross-cutting issues in the area of peacekeeping should provide overall guidance on how improvements could be made through business processes and other administrative measures; they should not be aimed at micromanaging peacekeeping operations.

73. His delegation appreciated the difficulty of reaching agreement on all cross-cutting issues. It would be reasonable to consider the overview reports biennially. In view of the challenges posed by the dynamic and volatile environment of peacekeeping operations, his delegation supported the efforts of the Department of Field Support to further develop the global field support strategy, which would expedite deployment and service delivery.

74. Peacekeepers were now under tremendous pressure to perform increasingly complex tasks that went beyond their traditional remit. However, the contributor base remained limited and peacekeeping financing was often insufficient. Despite inflation, rates of reimbursement had remained unchanged since the ad hoc increase of 2002, placing a burden on troop-contributing countries and undermining operations. As the only organization with a global reach, the United Nations could deploy peacekeepers at one eighth the cost that would be incurred by an individual Member State, and could act in a politically sensitive manner. Reform should take place through constructive engagement rather than by reducing Member States' financial contributions; the global field support strategy exemplified that approach. Issues such as compensation for death and disability should be addressed in a comprehensive, sustained and expeditious manner through the establishment of an automatic periodic review mechanism taking into account the cost of living and inflation.

75. Nationals of troop-contributing countries should be appointed to top managerial positions, both at Headquarters and in the field, in order to create a stronger link between those who directed peacekeeping operations and those who served in the field. His delegation regretted that the overview reports did not include information on the steps taken by the Secretary-General to ensure proper representation of those countries in the Department of Peacekeeping Operations and the Department of Field Support, in accordance with General Assembly resolution 64/269.

76. The realization of the laudable objectives of the global field support strategy required significant changes to current procedures for resource approval and service delivery. His delegation saw merit in the Secretary-General's proposal to develop a standardized funding model for pre-approval by the General Assembly. The proposal should be sufficiently detailed to assure Member States that financial resources would be used efficiently and that internal controls would be in place.

77. The operational functions currently performed at Headquarters were vital for ensuring effective operational control and accountability. His delegation would therefore not support the transfer of any functions from Headquarters that required interaction with troop-contributing countries. As troop- and police-contributing countries were the primary users of support services, the Secretariat should consult with them extensively in further developing the global field support strategy, inter alia through bimonthly briefings, the Special Committee on Peacekeeping Operations, the client board and any other such forum.

78. *Ms. Stoica (Romania), Vice-Chair, took the Chair.*

79. **Mr. Okochi** (Japan) said that, although the proposed budget level for peacekeeping in 2011/12 was nearly the same as that for the previous year, the current level of peacekeeping expenditure and the difficult financial climate left no room for complacency. Further savings should be possible — through efficiency measures and a review of the need for long-vacant posts — without hampering the implementation of peacekeeping mandates. As noted by the Advisory Committee, the overall proposed 2011/12 budget level reflected only $24 million in efficiency gains, although the initial goal had been a

reduction of 1 per cent. Moreover, 239 international posts in peacekeeping operations had remained vacant for over a year. His delegation wished to address those matters during the deliberations on cross-cutting issues and on each budget proposal. The costs of harmonizing the conditions of service for field staff should be absorbed through the abolition and nationalization of international posts.

80. He welcomed the establishment of governance and management arrangements for the global field support strategy, the launching of the Transportation and Movements Integrated Control Centre in the Regional Service Centre, which had generated savings of $27 million, and the streamlining of the budget process through the standardized funding model. Much still remained to be done to ensure more effective and efficient delivery of services to field missions.

81. Member States should be informed of the expected efficiency gains and economies of scale when the transfer of additional functions and services to the Regional Service Centre was proposed. In addition, the reasons for the transfer of functions to the Global Service Centre other than closer proximity to field missions should be explained.

82. Lastly, no convincing explanation had been given for the proposed modification of the arrangements for commitment authority and withdrawal of strategic deployment stocks.

83. **Mr. Sene** (Senegal) said that his country wished to pay tribute to those who had lost their lives in the service of international peace and security and to civilian personnel who worked selflessly in often difficult conditions. Senegal remained committed to making its troops and police available for United Nations peacekeeping missions.

84. The proposed overall peacekeeping budget level of $7.6 billion was reasonable and fully justified. Peacekeeping missions, particularly in Africa, must receive the resources they needed to discharge their mandates, the key components of which were protection of civilian populations, establishment of conditions of safety and security, and support for the peace process.

85. As in the past, his delegation had strong reservations about the practice of negotiating peacekeeping budgets as a package and about applying across-the-board budget cuts to all peacekeeping operations. The current global economic climate demanded, however, that financial resources for peacekeeping should be managed rationally, effectively and efficiently and with utmost transparency. The Secretary-General should therefore fully implement the recommendations of the Board of Auditors and all oversight bodies, particularly in respect of expendable and non-expendable property. The Procurement Manual should be applied intelligently to ensure access to a wide range of suppliers, particularly those in developing countries.

86. He urged the Secretary-General to ensure that amounts owed to troop-contributing countries for contingent-owned equipment were paid in a timely fashion and that those countries were well represented in the staffing of the Department of Field Support and the Department of Peacekeeping Operations.

87. Lastly, he urged the Committee to reach an agreement at the current session to credit the funds remaining in the accounts of closed peacekeeping operations to Member States.

88. **Mr. Pankin** (Russian Federation) said that the budget implementation rate of 94 per cent in 2009/10, compared to 97 per cent in the previous period, underscored the need for more careful resource planning and expenditure. He hoped that future budget proposals would be more realistic. The Advisory Committee made a crucial distinction between savings and underexpenditure: the latter, if it represented only delayed expenditure, could ultimately lead to increased resource requirements.

89. Noting the 3-per-cent decrease in the proposed overall peacekeeping budget level, from $7.8 billion for 2010/11 to $7.6 billion for 2011/12, which resulted mainly from the drawdown of MINURCAT and reductions in the proposed resources for MINUSTAH, UNAMID and UNMIS, he said that the Committee should discuss budget reductions not only in terms of changes to the mandates of individual missions but also in terms of measures to optimize the use of resources. His delegation would scrutinize the reasons given for proposed increases in the budgets of missions whose mandates had not changed substantially.

90. The Secretariat's efforts to achieve optimal use of resources and timely delivery of mandates through the global field support strategy were commendable. He welcomed the dialogue between the Secretariat and Member States that had taken place in various forums,

as well as the briefings and workshops organized to discuss issues of logistics and resource levels. It must be stressed, however, that the Fifth Committee remained the primary forum for the deliberation of those matters. Regrettably, there had been overlap between the discussions in the Special Committee on Peacekeeping and those in the Fifth Committee during the current session: it was important to observe the distinction between the mandates of those two bodies.

91. While the Russian delegation shared the views of the Secretary-General on many of his proposals, it differed on the proposed resource components of the global field support strategy and on procedural innovations and the application of lessons learned from other organizations, including in the area of aviation services. Those issues required thorough discussion to ensure that the relevant decisions took into account the specific features of United Nations peacekeeping operations, enhanced transparency and ensured the smooth operation of such sophisticated peacekeeping mechanisms.

92. **Mr. Weisleder** (Costa Rica) said that the situation with respect to sexual exploitation and abuse in United Nations peacekeeping operations presented a contrast: on the one hand, prevention and enforcement efforts and assistance to victims were being institutionalized worldwide, while on the other, there were increased reports of abuse of minors allegedly committed by United Nations civilian and police personnel. The Secretary-General's bulletin on special measures for protection from sexual exploitation and sexual abuse (ST/SGB/2003/13) stated clearly that sexual exploitation and abuse violated universally recognized international legal norms and standards and had always been unacceptable behaviour and prohibited conduct for United Nations staff. Consequently, the Secretary-General should urgently take all necessary disciplinary measures, including dismissal, against any United Nations staff member who was found to have committed such an offence. It was therefore a matter of concern that the Secretary-General's related report (A/65/742) indicated that inadequate information had been received from troop- and police-contributing countries on investigations or on disciplinary measures taken when allegations were substantiated. Member States must, in accordance with General Assembly resolution 64/269, take all appropriate measures to ensure that crimes committed by military and other personnel did not go unpunished and that perpetrators were brought to justice.

93. *Mr. Rosenthal (Guatemala) resumed the Chair.*

94. **Mr. Ren** Yisheng (China) said that, having reached the highest deployment levels in their history, United Nations peacekeeping operations were now being consolidated, and the peacekeeping budget for 2011/12 was set to decrease. His delegation hoped that the international community would continue to work on the basis of its actual capacity in order to stabilize the growth in peacekeeping expenses.

95. The overall budget implementation rate had been almost 3 per cent lower in 2009/10 than in 2008/09. Factors such as delayed recruitment and deployment, the relatively high actual vacancy rate and the drawdown of certain peacekeeping operations had contributed to that situation. However, overbudgeting remained a problem, and his delegation hoped that future budgets would reflect actual needs as closely as possible and would be revised in a timely manner.

96. His delegation was concerned about the deficiencies noted by the Board of Auditors, the Advisory Committee and OIOS in air and ground transportation, fuel and rations management, information and communications technology and management of expendable and non-expendable property. China supported the recommendations put forward by the oversight bodies and hoped that effective measures would be taken to improve accountability and internal control; avoid waste, fraud and abuse; and strengthen human resources management, lowering the vacancy rate and expanding training programmes.

97. His delegation hoped that the progress achieved in implementing the global field support strategy would be conducive to greater budgetary discipline, the adoption of a standardized funding model and fuller operational integration and accountability. His delegation trusted that the next annual report would include information on costs, achievements and benchmarks.

98. **Mr. Hussain** (Bangladesh) said that his country attached great importance to peacekeeping, as it was currently contributing over 10,000 personnel to peacekeeping operations. Although each peacekeeping mission was unique, the resolution on cross-cutting issues provided policy directives applicable to all. His

delegation therefore urged the General Assembly to take action at the current session in order to facilitate the smooth functioning of peacekeeping operations, in particular by providing adequate resources and supporting troop-contributing countries.

99. Although it was necessary to streamline resources, extreme caution should be exercised in order to ensure that essential services were not jeopardized. A budget cut of 3 per cent had been proposed at a time when a number of peacekeeping missions faced significant challenges in their operations. Research conducted in 2007 by the United States-based RAND Corporation had found that United Nations peacekeeping operations had been more successful than others while using fewer resources.

100. It was important to expedite reimbursements to troop-contributing countries, which bore additional burdens owing to delays in the payment of Member States' assessments. Moreover, the length of time that had elapsed since troop costs had last been reviewed represented discriminatory treatment in respect of peacekeepers, as the salaries and benefits of others working for the Organization were reviewed regularly. The General Assembly must approve an increase in troop costs during the second part of the resumed session. His delegation noted with appreciation the decision to increase levels of compensation for all categories of uniformed personnel. It was important, however, to establish a mechanism for the automatic periodic review of compensation for death and disability.

The meeting rose at 12.35 p.m.

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Chairman: Mr. Rosenthal ..... (Guatemala)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

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11-32307 (E)

Please recycle

(a) United Nations Disengagement Observer Force

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The meeting was called to order at 10.10 a.m.

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(a) United Nations Disengagement Observer Force (A/65/596, A/65/710 and A/65/743/Add.3)

(b) United Nations Interim Force in Lebanon (A/65/608, A/65/608/Corr.1, A/65/756 and A/65/743/Add.9)

Agenda item 158: Financing of the United Nations Mission for the Referendum in Western Sahara (A/65/665, A/65/720 and Corr.1 and A/65/743/Add.5)

1. **Mr. Yamazaki** (Controller), introducing the performance report on the budget of the United Nations Mission in the Central African Republic and Chad (MINURCAT) for the period from 1 July 2009 to 30 June 2010 (A/65/638), said that the General Assembly had appropriated funding of $690.7 million for the maintenance of the Mission and that expenditure had amounted to $540.8 million, leaving an unencumbered balance of $149.9 million, which represented a resource utilization rate of 78.3 per cent. The main causes of the variance were the reduction in the military component of the mission required by Security Council resolution 1923 (2010) and a related reduction in expenditure on facilities, infrastructure, transportation, supplies and equipment, offset by an increase in costs for civilian personnel due to preparation for the drawdown and liquidation of the mission, and for local personnel, due to salary increments and currency fluctuation.

2. The General Assembly was invited to take the actions set out in paragraph 44 of the performance report. However, in view of the mission's outstanding cash liabilities of $135.8 million and unpaid assessments of $57.1 million, the Secretary-General was recommending that the General Assembly should simply take note of the unencumbered balance of $149.9 million and other income of $13.5 million, deferring until its sixty-sixth session a decision on the treatment of those amounts.

3. Introducing the performance report on the budget of the United Nations Operation in Côte d'Ivoire (UNOCI) for the period from 1 July 2009 to 30 June 2010 (A/65/615), he said that the General Assembly had appropriated funding of $491.8 million for the maintenance of the Mission and that expenditure had amounted to $473.6 million, leaving an unencumbered balance of $18.2 million, which represented a resource utilization rate of 96.3 per cent. The main causes of the variance were higher actual vacancy rates for military contingents; rationalization of contractual arrangements for their emplacement, rotation and repatriation and delayed deployment of contingent-owned equipment. The General Assembly was invited to take the actions set out in paragraph 53 of the performance report.

4. The proposed budget of $485.8 million for the period from 1 July 2011 to 30 June 2012 (A/65/736) reflected a 0.7 per cent increase relative to the funding of $485.1 million appropriated by the General Assembly for the maintenance of the Mission for

2010/11. The main causes of the variance were greater forecast consumption of generator fuel, as a result of frequent power cuts and higher prices for diesel; greater requirements for maintenance and security services; and increased costs for fixed-wing aircraft and helicopters in connection with higher prices for jet fuel, landing fees and ground handling. The General Assembly was invited to take the actions set out in paragraph 64 of the budget report.

5. In accordance with regulation 4.6 of the Financial Regulations and Rules, as amended by General Assembly resolution 64/269, the Secretary-General had sought, and obtained, the concurrence of the Advisory Committee to enter into commitments not exceeding $85.3 million for the period from 1 July 2010 to 30 June 2011 to meet additional requirements related to the expanded operational activities of UNOCI.

6. Introducing the performance report on the budget of the United Nations Peacekeeping Force in Cyprus (UNFICYP) for the period from 1 July 2009 to 30 June 2010 (A/65/625), he said that the General Assembly had appropriated funding of $54.4 million for the maintenance of the Force and that expenditure had amounted to $53.3 million, leaving an unencumbered balance of $1.1 million, which represented a utilization rate of 98.0 per cent. The main causes of the variance were lower actual commercial and charter flight costs for the rotation of contingents and the use of military flights for that purpose, and unused balances for facilities and infrastructure resulting from the reprioritization of resources to meet more critical operational requirements. The General Assembly was invited to take the actions set out in paragraph 31 of the performance report.

7. The proposed budget of $55.7 million for the period from 1 July 2011 to 30 June 2012 (A/65/706) reflected a 1.0 per cent decrease relative to the funding of $56.3 million appropriated by the General Assembly for the maintenance of the Force for 2010/11. The main causes of the variance were reduced requirements for military contingents and national staff, primarily attributable to the United States dollar/euro exchange rates applied in comparison to those used for the 2010/11 budget. The General Assembly was invited to take the actions set out in paragraph 41 of the budget report.

8. Introducing the performance report on the budget of the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) for the period from 1 July 2009 to 30 June 2010 (A/65/682), he said that the General Assembly had appropriated funding of $1,346.6 million for the maintenance of the Mission and that expenditure had amounted to $1,345.2 million, leaving an unencumbered balance of $1.4 million, which represented a utilization rate of 99.9 per cent. The main causes of the variance were the cancelled planned rotation of 1,674 troops pending their repatriation in September 2009, the use of the air assets of the Transportation and Movements Integrated Control Centre in Entebbe; lower than forecast deployment of formed police personnel; and unutilized balances for air transportation due to cancellation of the deployment of two unmanned aerial vehicles. The General Assembly was invited to take the actions set out in paragraph 48 of the performance report.

9. The proposed budget of $1,423.0 million for the maintenance of the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO) from 1 July 2011 to 30 June 2012 (A/65/744) reflected a 4.3 per cent increase relative to the funding of $1,365.0 million appropriated by the General Assembly for the maintenance of its predecessor, the United Nations Organization Mission in the Democratic Republic of the Congo, for 2010/11. The main causes of the variance were increased requirements for civilian staff as a result of harmonization of conditions of service in the field and of revised salary scales and common staff costs; proposed additional general temporary assistance to support civil affairs and communications in connection with the protection of civilians; increased requirements for facilities and infrastructure resulting mainly from the consolidation of the Mission's offices in Kinshasa into a single Integrated Mission Headquarters; increased air transportation requirements due to flight hours and aviation fuel; increased communications requirements for the new Integrated Headquarters and for company and mobile operating bases; and increased requirements for other supplies, services and equipment resulting from freight and related charges for Forces armées de la République démocratique du Congo (FARDC)/MONUSCO joint operations. The General Assembly was invited to take the actions set out in paragraph 147 of the budget report.

10. Introducing the performance report on the budget of the United Nations Integrated Mission in Timor-Leste (UNMIT) for the period from 1 July 2009 to

30 June 2010 (A/65/687), he said that the General Assembly had appropriated funding of $205.9 million for the maintenance of the Mission and that expenditure had amounted to $191.1 million, leaving an unencumbered balance of $14.8 million, which represented a utilization rate of 92.8 per cent. The main cause of the variance was lower actual aircraft flying hours, resulting from the change in the Mission's concept of operations and flight plan, and the early withdrawal of one helicopter, leading to reduced fuel costs. The General Assembly was invited to take the actions set out in paragraph 66 of the performance report.

11. The proposed budget of $196.7 million for the period from 1 July 2011 to 30 June 2012 (A/65/746) reflected a 4.6 per cent decrease relative to the funding of $206.3 million appropriated by the General Assembly for the maintenance of the Mission for 2010/11. The main cause of the variance was the planned reduction of United Nations police personnel and formed police unit personnel. The General Assembly was invited to take the actions set out in paragraph 108 of the budget report.

12. Introducing the report on the financing of the United Nations Mission in Ethiopia and Eritrea (UNMEE) (A/65/678), he said that the final disposition of the assets of the Mission had been carried out in accordance with regulation 5.41 of the Financial Regulations and Rules. Their value as at 7 December 2010 had been $57.0 million. The assets fell into three groups: equipment transferred to other missions or to temporary storage at the United Nations Logistics Base at Brindisi ($17.5 million, or 30.6 per cent of the total inventory value); equipment disposed of in the mission area through sale ($1.6 million, or 2.9 per cent of the total inventory value, with a sale value of $0.6 million), or through donation to the Government of Ethiopia and the African Union ($7.6 million, or 13.3 per cent of the total inventory value); and equipment written off or lost ($30.3 million, or 53.2 per cent of the total inventory value, with a residual value of $8.0 million). The General Assembly was invited to take the actions set out in paragraph 12 of the report.

13. Introducing the performance report on the budget of the United Nations Observer Mission in Georgia (UNOMIG) for the period from 1 July 2009 to 30 June 2010 (A/65/681), he said that the General Assembly had appropriated funding of $10.9 million for the maintenance of the Mission and that expenditure had amounted to $10.3 million, leaving an unencumbered balance of $665,200, which represented a utilization rate of 93.9 per cent. The main causes of the variance were reduced requirements for equipment shipping costs, as most of the Mission's assets were transferred to other United Nations missions at their expense, offset by additional requirements for termination indemnities, lump-sum payments for annual leave balances, repatriation grants and other separation costs for national and international staff. The General Assembly was invited to take the actions set out in paragraph 38 of the performance report.

14. Introducing the performance report on the budget of the United Nations Interim Administration Mission in Kosovo (UNMIK) for the period from 1 July 2009 to 30 June 2010 (A/65/621), he said that the General Assembly had appropriated funding of $46.8 million for the maintenance of the Mission and that expenditure had amounted to $46.7 million, leaving an unencumbered balance of $148,600, which represented a resource utilization rate of 99.7 per cent. The General Assembly was invited to take the actions set out in paragraph 40 of the performance report.

15. The proposed budget of $44.9 million for the period from 1 July 2011 to 30 June 2012 (A/65/711) reflected a 6.2 per cent decrease relative to the funding of $47.9 million appropriated by the General Assembly for the maintenance of the Mission for 2010/11. The main causes of the variance were non-replacement of vehicles in the context of the current budget proposal, compared with the replacement of 36 vehicles in the context of the budget for 2010/11, and the United States dollar/euro exchange rates applied for 2011/12 compared to the rates applied for 2010/11. The General Assembly was invited to take the actions set out in paragraph 79 of the budget report.

16. Introducing the performance report on the budget of the United Nations Mission in Liberia (UNMIL) for the period from 1 July 2009 to 30 June 2010 (A/65/620), he said that the General Assembly had appropriated funding of $561.0 million for the maintenance of the Mission and that expenditure had amounted to $541.8 million, leaving an unencumbered balance of $19.2 million, which represented a utilization rate of 96.6 per cent. The main causes of the variance were faster than anticipated third-stage drawdown of the Mission's military component and repatriation of 100 members of the military guard force at the Special Court for Sierra Leone, as recommended

by the Secretary-General in a letter to the Security Council (S/2009/679); and lower expenditure for international staff as a result of higher actual vacancy rates and lower actual common staff costs. The General Assembly was invited to take the actions set out in paragraph 65 of the performance report.

17. The proposed budget of $540.8 million for the period from 1 July 2011 to 30 June 2012 (A/65/727) was composed of $528.4 million for the maintenance of the Mission and $12.4 million for electoral support from the Mission, and reflected a 3.2 per cent increase relative to the funding of $524.0 million appropriated by the General Assembly for 2010/11. The main causes of the variance were increased facilities and infrastructure requirements resulting from the fact that the Mission was in its eighth year of operation, leaving large amounts of equipment beyond economical repair; increased requirements for maintenance, alteration, construction and renovation services; increased ground transport requirements because of fuel cost increases; and increased air transportation requirements resulting from higher rental and operation costs for rotary aircraft caused by higher fuel costs and new contracts and letter-of-assist arrangements with a contributing government for the supply of military helicopters. The General Assembly was invited to take the actions set out in paragraph 128 of the budget report.

18. Introducing the performance report on the budget of the United Nations Disengagement Observer Force (UNDOF) for the period from 1 July 2009 to 30 June 2010 (A/65/596), he said that the funding of $45.0 million for the maintenance of the Force appropriated by the General Assembly had been utilized entirely. The General Assembly was invited to take the actions set out in paragraph 25 of the performance report.

19. The proposed budget of $49.6 million for the period from 1 July 2011 to 30 June 2012 (A/65/710) reflected a 3.7 per cent increase relative to the funding of $47.8 million appropriated by the General Assembly for the maintenance of the Force for 2010/11. The main causes of the variance were increased costs for contingent-owned equipment as a result of the memorandum of understanding signed; increased requirements to meet common staff costs for international staff and the use of a lower United States dollar/Syrian pound exchange rate than for the 2010/11 budget. The General Assembly was invited to take the actions set out in paragraph 42 of the budget report.

20. Introducing the performance report on the budget of the United Nations Interim Force in Lebanon (UNIFIL) for the period from 1 July 2009 to 30 June 2010 (A/65/608), he said that the General Assembly had appropriated funding of $589.8 million for the maintenance of the Force and that expenditure had amounted to $542.1 million, leaving an unencumbered balance of $47.7 million, which represented a utilization rate of 91.9 per cent. The main causes of the variance were reduced requirements for rental and operation of naval transportation, owing to the deployment of fewer vessels and helicopters in the Maritime Task Force; lower than average deployment of military contingents and reduced requirements for rations, partly offset by additional requirements for freight and contingent-owned equipment resulting from early repatriation of two contingent units to Europe and the deployment of three contingent units from Asia. The General Assembly was invited to take the actions set out in paragraph 38 of the performance report.

21. The proposed budget of $542.8 million for the period from 1 July 2011 to 30 June 2012 (A/65/756) reflected a 4.6 per cent increase relative to the funding of $518.7 million appropriated by the General Assembly for the maintenance of the Force for 2010/11. The main causes of the variance were a reduced delayed-deployment factor for military contingents and higher costs for travel on emplacement, rotation and repatriation of troops, based on actual expenditure patterns and a larger number of troop rotations; and increased requirements for national and international staff, resulting primarily from a reduced vacancy factor. The General Assembly was invited to take the actions set out in paragraph 90 of the budget report.

22. Introducing the performance report on the budget of the United Nations Mission for the Referendum in Western Sahara (MINURSO) for the period from 1 July 2009 to 30 June 2010 (A/65/665), he said that the General Assembly had appropriated funding of $53.5 million for the maintenance of the Mission and that expenditure had amounted to $51.9 million, leaving an unencumbered balance of $1.6 million, which represented a resource utilization rate of 97.0 per cent. The main causes of the variance were unutilized balances for air transportation resulting from lower-than-planned hours flown by fixed-wing aircraft and helicopters and the associated reduced aviation fuel requirements, with one helicopter not operating for 205

out of 365 days, and a non-serviceable unpaved runway at the Awsard team site; unutilized balances for facilities and infrastructure, resulting from the decision to cancel acquisition of a closed-circuit television system in favour of less costly equipment; recruitment of fewer maintenance personnel than originally planned; and under-expenditure for alternation and renovation projects because of an unsuccessful bidding process for construction services. The General Assembly was invited to take the actions set out in paragraph 43 of the performance report.

23. The proposed budget of $61.4 million (exclusive of budgeted voluntary contributions) for the period from 1 July 2011 to 30 June 2012 (A/65/720) reflected a 7.5 per cent increase relative to the funding of $57.1 million appropriated by the General Assembly for the maintenance of the Mission for 2010/11. The main causes of the variance were increased common staff costs for international staff in connection with the implementation of General Assembly resolution 65/248; a vacancy rate of 3 per cent for 2011/12 compared to 10 per cent for 2010/11; and increased requirements for mine education, detection and clearance. The General Assembly was invited to take the actions set out in paragraph 55 of the budget report.

24. **Mr. Kelapile** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee report on the financing of MINURCAT (A/65/743/Add.11), recalled that the Mission was in the process of liquidation, as its mandate had not been extended beyond 31 December 2010. The Advisory Committee did not object to the recommendation made by the Secretary-General that, in the light of the liquidation activities and the Mission's outstanding cash liabilities, the General Assembly should defer action on the unencumbered balance and income/adjustments until its sixty-sixth session. The Advisory Committee recommended that the Secretary-General should provide an update on the Mission's cash position at that time.

25. Introducing the Advisory Committee report on the financing of UNOCI (A/65/743/Add.14), he said that the Advisory Committee, in connection with the proposed budget, had recommended appropriation and assessment of $242.9 million for the period from 1 July to 31 December 2011, as well as the submission of a revised budget for the whole period from 1 July 2011 to 30 June 2012. Recommendations and observations on the specific resources requested by the Secretary-General were set out in section IV.B. of the report.

26. During its discussions with the representatives of the Secretary-General, the Advisory Committee had been informed of the challenges posed to the implementation of the Ouagadougou Political Agreement and its four supplementary agreements by the outcome of the 28 November 2010 elections. The Controller had sought, and received, the concurrence of the Advisory Committee for the Operation to enter into additional commitments to meet the requirements related to the post-election crisis. Having also been informed that the proposed budget was based on the assumption of a resolution of the crisis by 30 June 2011 and a resumption of the Operation's normal functioning thereafter, the Advisory Committee recognized that the Operation might require additional resources for the period from 1 July 2011 to 30 June 2012. The Advisory Committee's comments on the action to be taken by the General Assembly were set out in paragraphs 35 and 36 of its report.

27. Introducing the Advisory Committee report on the financing of UNFICYP (A/65/743/Add.2), he said that although the Advisory Committee was recommending approval of the budget proposed by the Secretary-General it remained concerned at the continuing precarious financial situation of the Force and recalled that Member States should fulfil the financial obligations established by the Charter of the United Nations in full, on time and without conditions.

28. Recommendations regarding the financial performance report for the Force were contained in paragraph 37 of the Advisory Committee report. Comments and observations on the regional management of information and communication technology, on efforts to reduce electricity and water consumption, on road safety and on demining activities were contained in paragraphs 20, 21, 33 and 34. In paragraphs 35 and 36, the Advisory Committee had also commented on the action taken by the Force to implement the most recent recommendations of the board of Auditors.

29. Introducing the Advisory Committee report on the financing of MONUC and MONUSCO (A/65/743/Add.8), he said that the Advisory Committee was recommending approval of the budget proposed by the Secretary-General for MONUSCO for 2011/12. Its recommendations and observations on the

specific resources requested for the Mission were contained in section IV.B. of the report. Its comments on the financial performance of MONUC in 2009/10 were set out in paragraphs 5 to 10 of the report, with related recommendations in paragraph 70.

30. Noting that in 2011/12 the Mission was due to provide electoral assistance in the form of air and road transport for electoral personnel and material, and that a request for additional resources would be made to the General Assembly if necessary once detailed electoral planning was complete, the Advisory Committee trusted that any such request would be submitted in a timely manner for consideration in accordance with established procedures. The Advisory Committee had also noted the estimated additional resources for facilities and infrastructure resulting from the plan to consolidate all of the Mission's offices in Kinshasa into one single Integrated Mission Headquarters, and had requested and received detailed information on that project, including a cost analysis covering eight financial periods. Although it would have expected to have been informed before the launch of the project, it supported its continuation, for the reasons indicated in paragraph 51 of the report, provided that the United Nations country team could take over the premises should the Mission be discontinued before the 2018/19 financial period. The Advisory Committee expected a detailed progress report, including a projection of costs and expected savings, in the next budget submission.

31. Introducing the Advisory Committee report on the financing of UNMIT (A/65/743/Add.6), he said that the Advisory Committee recommended approval of the proposed budget for 2011/12, noting the continued progress in fulfilling the Mission's mandate, including support for parliamentary and presidential elections in 2012, and the inclusion in the budget proposal of plans for a gradual transition to liquidation. The Advisory Committee's recommendations on the financial performance of UNMIT in 2009/10 were set out in paragraph 40 of its report.

32. Introducing the Advisory Committee report on the final disposition of the assets of UNMEE (A/65/748), he said that the liquidation of the Mission's assets had proceeded as planned and been completed on 7 December 2010. The Advisory Committee recommended acceptance of the course of action proposed by the Secretary-General in paragraph 12 of the financial performance report (A/65/678).

33. Introducing the Advisory Committee report on the financing of UNOMIG (A/65/743/Add.1), he said that the four-month process of liquidation of the Mission's assets had been completed on 31 October 2009. The Advisory Committee recommended acceptance of the course of action proposed by the Secretary-General in the financial performance report (A/65/681).

34. Introducing the Advisory Committee report on the financing of UNMIK (A/65/743/Add.4), he said that the Advisory Committee was recommending approval of the Mission's proposed budget for 2011/12. However, as it had indicated in paragraph 10 of its report, it continued to be concerned about the Mission's cash position, which failed to cover the three-month operating cash reserve of $11,969,000. The Advisory Committee had noted the description in the financial performance report (A/65/621) of the four-phase Mission support plan, including the commercial outsourcing of some services. The Advisory Committee trusted that the Mission would continue to evaluate the impact of the support plan, particularly if, as the Advisory Committee had been informed, a fifth phase was being contemplated.

35. Introducing the Advisory Committee report on the financing of UNMIL (A/65/743/Add.7), he said that its recommendations regarding the Mission's proposed budget for 2011/12, consisting of mission maintenance and electoral support components, would entail an overall reduction of $18,607,270. While the Advisory Committee had no objection to the proposed resources for electoral support, it took the view that the resources requested for the maintenance of the Mission should reflect the fact that it was in the process of drawdown, and therefore recommended a reduction of 10 per cent in the proposed operational requirements.

36. Similarly, while recognizing the importance of the Mission's role in building the capacity of the Liberia National Police, the Advisory Committee noted that, as some of the envisaged functions of the proposed new staff posts were not police-specific, they should be accommodated from within existing capacity. Accordingly, the Advisory Committee was recommending approval of only 6 of the 10 posts proposed for the Office of the UNMIL Police Commissioner.

37. Introducing the Advisory Committee report on the financing of UNDOF (A/65/743/Add.3), he said

that the Advisory Committee was recommending approval of the proposed budget for 2011/12. It continued to see merit in strengthening regional coordination of communications and information technology services among the peacekeeping missions in close geographical proximity to each other and encouraged further exploration of the platforms already developed to consolidate other administrative functions. Its comments on the financial performance of UNDOF in 2009/10 were set out in paragraph 35 of the report.

38. Introducing the Advisory Committee report on the financing of UNIFIL (A/65/743/Add.9), he said that the proposed budget for 2011/12 did not reflect the recent decision to convert a P-4 civil affairs officer post to a senior national civil affairs officer post. The Advisory Committee had no objection to that conversion, considering that it would contribute to building the capacity of national staff. The conversion would entail a reduction of $133,200 in the original budget proposal (A/65/756), which the Advisory Committee had taken into account in its recommendations.

39. Noting that projected expenditure for the current period would be $518.6 million, against an appropriation of $518.7 million, including overexpenditure associated with greater requirements for civilian personnel, fuel and the Maritime Task Force, and the likelihood of a total overexpenditure of $15 million or 2.89 per cent, the Advisory Committee expected that the Mission would make the utmost effort to absorb such expenditure within the appropriation for the current period.

40. Introducing the Advisory Committee report on the financing of MINURSO (A/65/743/Add.5), he said that the Advisory Committee had noted the Mission's priorities, which included landmine-related efforts and infrastructure and security improvements. Its comments on the financial performance of MINURSO in 2009/10 were set out in paragraph 34 of the report.

41. **Mr. Coffi** (Côte d'Ivoire), speaking on behalf of the Group of African States, said that the character of peacekeeping missions had changed in the previous year, with the closure, consolidation or transition towards drawdown of some, and a forthcoming focus on coping with volatile situations or on electoral assistance for others. Those changes notwithstanding, peacekeeping remained dynamic, and the Organization was still the world's largest multilateral contributor to post-conflict stabilization. Peacekeeping was an essential precursor of peacebuilding, and should seek to pave the way for peace processes, restoring the rule of law and using development to address the causes of conflict.

42. Accordingly, the proposed budget for each mission should reflect the resources required for the full implementation of its mandate, in order to advance the objective of maintaining international peace and security. In that connection, the Group would thoroughly consider mission budgets, and, if resource reductions had been proposed by the Secretary-General or recommended by the Advisory Committee, it would ascertain that such cuts were not arbitrary. It would examine the proposed abolition or nationalization of peacekeeping mission posts pursuant to General Assembly resolution 65/248, as well as vacancy rates, staff turnover, procurement matters and quick-impact projects,

43. Turning specifically to MONUC and MONUSCO, he welcomed the near-full budget implementation in the 2009/10 budget period and highlighted both the vital role of MONUSCO in stabilizing the Democratic Republic of the Congo and the Great Lakes region and the challenges it faced in consolidating peace and stability and protecting civilians. Its ability to fulfil its mandate, including the provision of technical and logistical support for the national and local elections due in November 2011, depended on continued adequate resources.

44. **Ms. Cavanagh** (New Zealand), speaking also on behalf of Australia and Canada, reiterated the three delegations' support for the United Nations Integrated Mission in Timor-Leste (UNMIT) and welcomed the significant progress made by the Timorese Government, with support from UNMIT and the International Stabilization Force, which consisted of personnel from Australia and New Zealand. The three delegations welcomed the Mission's key priorities, namely review and reform of the security sector, strengthening of the rule of law, promotion of a culture of democratic governance and dialogue, and economic and social development.

45. As credible and transparent parliamentary and presidential elections in 2012 were vital to ensure peace and stability, the three delegations had particularly noted the resources requested for electoral

assistance, and looked forward to receiving further information during the informal consultations on the additional temporary positions proposed, including the envisaged timing of recruitment and deployment. Following the recent resumption of primary policing responsibilities by the National Police of Timor-Leste, UNMIT must remain focused on building capacity, in order to ensure that the National Police possessed the necessary the tools and expertise.

46. The three delegations welcomed the establishment of a High-Level Steering Group, chaired by the President, the Prime Minister, and the Special Representative of the Secretary-General, to oversee the UNMIT transition, and trusted that it would ensure that the gradual reductions in UNMIT activities during the budget period would be in line with the Government's wishes and realities on the ground.

47. **Mr. Lieberman** (United States of America) said that, while reiterating its support for the peacekeeping activities of the United Nations and its commitment to providing them with adequate funding to ensure full implementation of the Organization's mandates, his delegation had noted that the total of the peacekeeping budgets proposed for the current financial period was largely unchanged from the previous financial period, discounting the since-closed Mission in the Central African Republic and Chad (MINURCAT).

48. The difficult global economic climate and the financial constraints facing all Member States made it essential to scrutinize the proposals carefully and find efficiencies where possible. The Secretary-General, in the role of chief administrative officer conferred on him by Article 97 of the Charter of the United Nations, was responsible for ensuring efficiency and good stewardship of the funds provided to the Organization by Member States on behalf of their taxpayers. It was therefore clearly within his purview to direct managers to seek efficiencies during the budget preparation process.

49. **Mr. Brant** (Brazil), speaking on agenda item 150, said that the Timorese Government and people should be congratulated for the significant progress achieved over the previous five years, making the country an example of post-conflict peacebuilding. As the 2012 parliamentary and presidential elections would be the most important political event in Timor-Leste so far, UNMIT should be provided with all necessary resources to support the preparation of those elections, pursuant to Security Council resolution 1969 (2011). As the National Police of Timor-Leste was expected to have resumed primary policing responsibilities in all districts and would exercise its police powers across the country, supported by the continued advice and training of United Nations police by June 2011, the Mission must continue its focus on building capacity through specialized training, mentoring, advice and monitoring. Any decrease in the number of UNMIT police officers should reflect realities on the ground, rather than following fixed or artificial deadlines, and should be fully discussed with the Timorese authorities. As socio-economic development was key to the maintenance of peace and stability, the international community should continue to provide assistance in that field whenever requested.

50. Having made an outstanding contribution to the stability and development of Timor-Leste, the Mission should prepare for the transitional period by adapting to new circumstances and assisting the Government with current challenges, including socio-economic development, institution-building and security. In that regard, his delegation supported the National Staff Capacity-Building Project begun in early 2010 as an essential component of the Mission's transition plan.

51. Noting the 4.6 per cent decrease in the proposed budget for the mission for 2011/12 compared to the budget for 2010/11, partly as a result of a reduction in the number of international staff posts to offset the cost of harmonization of conditions of service pursuant to General Assembly resolution 65/248, his delegation recalled that the Assembly had decided in that resolution 65/248 that the additional costs related to arrangements for the harmonization of conditions of service should not impact on operational costs or undermine the implementation of mandated programmes and activities. It was therefore concerned at the current level of resources proposed by the Secretary-General for UNMIT, as well as for a number of other peacekeeping missions, especially in Africa, and would be seeking further clarification in informal consultations. The Committee should provide all necessary resources to enable UNMIT to assist Timor-Leste in pursuing a steady course towards peacebuilding and long-term development.

Agenda item 143: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

Updated financial position of closed peacekeeping missions as at 30 June 2010 (A/65/556 and A/65/775)

52. **Mr. Yamazaki** (Controller), introducing the report of the Secretary-General on the updated financial position of closed peacekeeping missions as at 30 June 2010 (A/65/556), said that 5 of the 23 peacekeeping missions covered in the report had cash deficits totalling $86,720,000 as at 30 June 2010, owing to outstanding payments of assessed contributions, and that the other 18 had cash surpluses available for credit to Member States, totalling $230,745,000.

53. Two thirds of the available cash balance in the account of the United Nations Iraq-Kuwait Observation Mission (UNIKOM) as at 30 June 2009, in the amount of $291,900, had been returned to the Government of Kuwait, pursuant to General Assembly decision 64/558. The Secretary-General now proposed that two thirds of the adjusted net available cash balance for the account of UNIKOM as at 30 June 2010, in the amount of $70,600, should be returned to the Government of Kuwait.

54. As a result of outstanding assessments in the special accounts of some active missions, there was a continuing need for cross-borrowing from the accounts of closed peacekeeping missions with cash balances, although there had been some improvement in the 2009/10 financial period, when a total of $30 million had been required for three active missions (MINURSO, UNMIT and UNOMIG). In the 2010/11 financial period up to 4 May 2011, $75.9 million in cross-borrowing had been required for four active missions (MINURSO, UNFICYP, MONUSCO and UNMIK). As at 4 May 2011, borrowing for two active missions (MINURSO and UNMIK) stood at a total of $28.5 million.

55. Given the reduction in cross-borrowing in the 2009/10 financial period, and in view of the accumulation of significant balances in the accounts of closed peacekeeping missions, the Secretary-General intended to return $180,745,000 of the amount available for credit to Member States as at 30 June 2010, subject to a decision of the General Assembly. The available balances in the accounts of 14 closed missions with balances below $20 million would be returned in full, while the remaining sums would be prorated equally across the remaining missions. A breakdown by mission of the amount to be returned was provided in annex II of the report (A/65/556). The Secretary-General proposed the retention of the cash balance of $50 million available in the accounts of four closed peacekeeping missions in the light of the experience regarding the Organization's cash requirements.

56. **Mr. Kelapile** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/65/775), said that the Advisory Committee considered that a cash balance of $75 million should be retained to cover the Organization's cash requirements, rather than the $50 million proposed by the Secretary-General, bearing in mind that updated information as at February 2011 showed an increase in the level of cross-borrowing since the issuance of the Secretary-General's report (A/65/556) in December 2010. It recommended that the balance of available cash, after the retention of $75 million, should be returned to Member States.

57. The Advisory Committee did not support the Secretary-General's proposal for the expansion of the terms and the level of the Peacekeeping Reserve Fund to cover the operational requirements of ongoing missions. However, it recognized the need to achieve a balance between the interests of Member States that had fulfilled their financial obligations on time and to which surplus payments might be owed, and those of Governments providing troops, formed police units, logistical support and other resources, which should be reimbursed in a timely manner for their services to the Organization. It believed that the General Assembly could benefit from an in-depth study, which would be best addressed by the Board of Auditors, on the most appropriate mechanisms for achieving such a balance and ensuring sound financial management of cash inflows and outflows.

58. The Advisory Committee recommended that the General Assembly should proceed as outlined in paragraph 16 of the Secretary-General's report (A/65/556), with respect to the application of available credits against outstanding contributions.

59. **Mr. Di Luca** (Argentina), speaking on behalf of the Group of 77 and China, said that the Group fully

supported the Secretary-General's proposal to return $70,600, comprising two thirds of the adjusted net credits available in the account of UNIKOM, to the Government of Kuwait. With regard to the question of unpaid assessments, accounts payable to Member States and other liabilities of closed peacekeeping missions, the Group stood ready to explore options to achieve a fair solution to that long-standing problem.

60. **Ms. Reich** (Hungary), speaking on behalf of the European Union; the candidate countries Croatia, Montenegro and the former Yugoslav Republic of Macedonia; the stabilization and association process country Serbia; and, in addition, the Republic of Moldova and Ukraine, said that the return of the cash surpluses in the accounts of closed peacekeeping missions available for credit to Member States remained a priority for the European Union. It was regrettable that those funds had not yet been returned in full, in line with regulations 5.3, 5.4 and 5.5 of the Financial Regulations and Rules of the United Nations, according to which the remaining balance of any appropriations in the accounts of closed missions should be surrendered and returned to Member States. While the European Union noted that the Secretary-General had for the first time recognized the need for those cash balances to be returned to Member States, the Financial Regulations and Rules of the United Nations did not justify withholding a percentage of the cash surpluses. The return of unencumbered balances in full to Member States was long overdue and should now take place.

61. While the European Union welcomed improved liquidity of peacekeeping missions in recent years, resulting in a reduction in cross-borrowing, it was concerned at the significant time lag between the issuance of notifications to Member States and the receipt of assessed contributions. The unpredictability of receipts arising from Member States' failure to meet their obligation to pay their assessed contributions in full, on time and without conditions could not justify cross-borrowing. It was essential for all Member States to fulfil that obligation as liquidity shortfalls could endanger the effective implementation of mission mandates.

62. Although the European Union acknowledged the efforts of the Secretariat to reduce cross-borrowing, it shared the Advisory Committee's concerns about the proposed expansion of the terms and the level of the Peacekeeping Reserve Fund to cover the operational requirements of ongoing missions as a means of eliminating the need to borrow from the accounts of closed peacekeeping missions. In particular, it believed that the proposed measures could negatively affect the Organization's capacity to launch new missions and meet the needs of expanding missions. In 2010, the Secretary-General had made proposals regarding the level and management of the Peacekeeping Reserve Fund in his report on the global field support strategy (A/64/633); it would be preferable for such proposals to continue to be made within the framework of that strategy, in order to avoid a piecemeal approach.

63. The European Union shared the concern of those troop-contributing countries that had not been compensated for their services. In that regard, it called upon all countries that had outstanding contributions to closed peacekeeping operations to meet their financial obligations in a timely manner.

64. **Mr. Ballantyne** (New Zealand), speaking also on behalf of Australia and Canada, said that, while the information in the report of the Secretary-General showed that the accounts of 18 of the 23 closed peacekeeping missions had cash balances, the remaining 5 had cash deficits. Such cash deficits should be addressed through the timely and full payment of assessments by Member States. The three delegations therefore called on all Member States to fulfil their Charter obligations and pay their assessed contributions in full, on time and without conditions. They welcomed the decline in cross-borrowing between active and closed peacekeeping missions as a result of improved liquidity in peacekeeping missions and looked forward to receiving the latest figures on cross-borrowing during informal consultations. The Committee should consider whether the current practice of cross-borrowing between the accounts of active and closed missions was an appropriate and sustainable mechanism for managing liquidity problems. The three delegations noted the Secretary-General's observations regarding the expansion of the terms of the Peacekeeping Reserve Fund, and believed that other options could be explored.

65. The three delegations attached great importance to reaching an agreement on the accounts of closed peacekeeping missions in the current session, as the issue had remained unresolved for far too long. The Secretary-General had made an interesting proposal; although they had reservations regarding some aspects of it, they believed that the time had come for

delegations to settle their differences and find a solution that was acceptable to all.

66. **Mr. Kägi** (Switzerland), speaking also on behalf of Liechtenstein, said that the two delegations had reiterated for several years that cash surpluses in the accounts of closed peacekeeping missions should be surrendered and returned to Member States, that the practice of cross-borrowing to fund the cash deficits of active peacekeeping missions should be ended, and that the issue of accounts with cash deficits and outstanding liabilities owed to troop-contributing countries should be addressed. In that connection, while the two delegations welcomed the Secretary-General's proposal to return to Member States a percentage of the cash surpluses available, they also concurred with the Advisory Committee regarding the need to analyse carefully the exact level of funds that should be returned, since such an arrangement must not create cash problems within the Organization.

67. As long as there was a need for cross-borrowing, it would not be possible to return to Member States all the cash balances available. It was regrettable that the Secretary-General's report mentioned that problem only very briefly, suggesting that the operational requirements of active missions could be covered from the Peacekeeping Reserve Fund rather than through cross-borrowing. The possible consequences of such a measure had not been analysed and it had not been made clear how the proposal related to such projects as the global field support strategy, which also envisaged changes to the management of the Peacekeeping Reserve Fund. Finally, the issue of accounts with cash deficits had not been addressed at all. Consequently, although the two delegations supported the general direction of the Secretary-General's proposal, they saw it as merely a good starting point for the discussion on closed peacekeeping missions.

68. **Mr. Park** Chull-joo (Republic of Korea) said that while most of the cash surpluses in the accounts of closed peacekeeping missions had remained unused in recent years owing to a reduction in cross-borrowing, Member States had faced such a difficult fiscal climate that they had struggled to fulfil their financial obligations on time. In the Committee's deliberations on the issue, the differing interests of Member States should be considered in a balanced way. Cash surpluses in the accounts of closed peacekeeping missions should be returned to those Member States that had fulfilled their financial obligations, while troop-contributing countries were also entitled to reimbursement in a timely manner. In that regard, his delegation welcomed the Secretary-General's proposal to return $180,745,000 of the cash balances in the accounts of closed peacekeeping missions to Member States and also noted with appreciation the Advisory Committee's recommendation that $155,745,000 should be returned to those Member States that had duly paid their assessed contributions.

69. While the issue of the accounts of closed peacekeeping missions had been discussed by the Committee for many years without reaching any conclusion, his delegation believed that the time had come to find a balanced solution. In that connection, it fully supported the Secretary-General's proposal that available credits should first be applied against outstanding contributions for closed missions with a cash deficit and thereafter against other peacekeeping operations. Furthermore, it supported the Secretary-General's intention to return two thirds of the adjusted net credits available in the account of UNIKOM to the Government of Kuwait.

70. **Mr. Yamada** (Japan) said that two essential principles should be kept in mind when discussing the status of closed peacekeeping missions: first, payment of assessed contributions was a Charter obligation; and second, cash balances in the accounts of closed peacekeeping missions should be returned to Member States in accordance with the Financial Regulations and Rules of the United Nations. His delegation therefore welcomed the Secretary-General's proposal to return $180,745,000 of the cash balances available for credit to Member States as at 30 June 2010, considering that it provided a sound basis for the Committee's discussions. It was also aware that a lack of liquidity at times led to the borrowing of funds for active peacekeeping missions from the accounts of closed missions and wished to reiterate that the problem of cash deficits in closed missions should be resolved by timely and full payment of assessed contributions.

The meeting rose at 12.20 p.m.

United Nations A/C.5/65/SR.35

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Chair: Mr. Rosenthal ..... (Guatemala)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

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Agenda item 143: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

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The meeting was called to order at 10.10 a.m.

Agenda item 143: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*) (A/65/610 and Add.1, A/65/624 and Corr.1, A/65/642, A/65/734, A/65/743/Add.12, A/65/760, A/65/761 and Corr.1, A/65/762, A/65/765 and A/65/827)

1. **Ms. Lapointe** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services (OIOS) on the thematic evaluation of cooperation between the Department of Peacekeeping Operations/Department of Field Support and regional organizations (A/65/762), said that cooperation between the United Nations and regional organizations was vital in peacekeeping, particularly given the continued high demand for peacekeeping interventions and the limited capacity. Between 2005 and 2010, active cooperation by the Department of Peacekeeping Operations and the Department of Field Support with the African Union and the European Union had improved response capacity and enabled those Departments to provide the Security Council with better analysis and information for its discussions of peacekeeping mandates.

2. Nonetheless, there had been difficulties in mobilizing efforts towards a common objective owing to differing — and at times rigid — organizational structures, procedures and requirements. The Office therefore urged the Departments to use their resources more strategically, to build knowledge of regional partners, to reduce structural overlaps and to advance more vigorously in areas that were likely to have immediate operational benefits.

3. Overall, the two Departments' cooperation with regional organizations had contributed to building knowledge and compiling lessons learned in support of the maintenance of peace and security in challenging situations.

4. Introducing the preliminary OIOS report on the implementation of the pilot project designated by the General Assembly in resolution 63/287 (A/65/765), she said that the project was now in its second year. The Office had established centres of investigation in Nairobi, Vienna and New York whose work was supported by resident investigators in the United Nations Stabilization Mission in Haiti (MINUSTAH), the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO), the United Nations Operation in Côte d'Ivoire (UNOCI), the United Nations Mission in Liberia (UNMIL), the United Nations Mission in the Sudan (UNMIS), the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and the United Nations Interim Force in Lebanon (UNIFIL). It had become evident that the current arrangement only partially responded to the operational and geographical demands for investigations in peacekeeping missions. Investigative work was most effective when investigators were co-located with military, police and civilian staff on the ground so that they could build trust, establish a support structure and develop an information network. It also ensured that investigators were accessible to staff who wished to discuss concerns. Nonetheless, it might not always be necessary or practical to embed investigators in every peacekeeping mission.

5. Investigations must be able to cast a wide net to ensure that all misconduct reports were dealt with, in particular those involving young victims of sexual exploitation and abuse. She would present the Office's conclusions in a comprehensive report during consideration of the proposed budget for the support account for 2012/13.

6. **Mr. Yamazaki** (Controller), introducing the performance report on the budget of the support account for peacekeeping operations for the period from 1 July 2009 to 30 June 2010 (A/65/610 and Add.1), said that the approved budget for the support account for that period had amounted to $322.6 million, including $28.5 million for the enterprise resource planning (ERP) project. He recalled that the apportionment for information technology requirements for 2009/10 had not included the additional amount of $2,031,860 for the secondary data centre approved by the General Assembly in its resolution 63/269, which was to be absorbed within existing resources. Expenditure for the period had amounted to $318.5 million, leaving an unutilized balance of $4.1 million, for an implementation rate of 98.7 per cent. Since the $28.5 million for the ERP project had not been assessed on Member States, the General Assembly was requested to appropriate and assess the balance of $24.44 million, which was the difference between the approved resources of $294.03 million and the actual expenditure of $318.47 million.

7. Contributing to the variance were additional requirements in respect of post resources attributable to the resources required for salaries of the standing police capacity at Headquarters during the transition period of the transfer to the United Nations Logistics Base at Brindisi; the impact of the human resources reform on mission salary scales and common staff costs for the Internal Audit Division of OIOS, for which no provision had been made in the budget; and lower-than-budgeted vacancy rates in the Department of Peacekeeping Operations. Those requirements were offset by underexpenditure in respect of other services, supplies and equipment, mainly attributable to a delay in the implementation of the cost-sharing arrangement for the new administration of justice system; and lower actual expenditure for after-service health insurance owing to a lower than expected number of claims and a one-month premium holiday for one of the medical plans.

8. Introducing the proposed budget for the support account for 2011/12 (A/65/761 and Corr.1), which amounted to $315.4 million, excluding ERP requirements in the amount of $47.2 million, he said that the proposed resources represented an increase of $8.6 million, or 2.8 per cent, over the resources of $306.8 million approved for the 2010/11 period. A total of 1,356 posts were proposed, consisting of 1,350 continuing posts, taking into account the proposed redeployment of 43 posts from the Logistics Base and the abolishment of 4 posts, and 6 new posts.

9. Pursuant to General Assembly resolution 64/243 and based on the estimates presented in the second progress report on the ERP project (A/65/389), the Secretary-General proposed to fund ERP-related resource requirements of $47.2 million from the support account for 2011/12.

10. Resource requirements of $2.4 million related to the peacekeeping share of post and non-post costs for the administration of justice had been included in the 2011/12 support account budget. The proposed budget also included requirements related to the projected after-service health insurance costs of current peacekeeping retirees in the amount of $8.4 million.

11. The increase in resource requirements resulted partly from the transfer of budgetary requirements of tenant units located at the Logistics Base — namely, the standing police capacity, the standing justice and corrections capacity and the civilian predeployment training team — to the support account in order to provide an overview of total resources dedicated to a particular function or business process in support of peacekeeping. A comparable decrease had been reflected in the proposed budget for the Logistics Base. Net of that amount, the overall proposed resources for the support account for 2011/12 remained at roughly the same level as in the previous period.

12. The Secretary-General had endeavoured to submit disciplined resource requests, taking into account the evolution of peacekeeping missions and the economic climate. A net increase of 45 posts under the support account was proposed, comprising redeployment of 52 posts from the Logistics Base to the support account in connection with the transfer of budgetary resources just mentioned, the redeployment of 9 posts to the Logistics Base from the support account in connection with the global field support strategy, the establishment of 6 new posts — 5 of which were to address the additional workload resulting from the new administration of justice system — and the abolishment of 4 posts. The net increase under post requirements amounted to $4.1 million, representing a 2 per cent increase over the approved resources for 2010/11.

13. A net increase of $4.5 million for non-post resources — an increase of 4.4 per cent over 2010/11 — was attributable to additional requirements for consultants, particularly for implementation of the International Public Sector Accounting Standards (IPSAS); for general temporary assistance, mainly owing to the application of lower projected vacancy rates for newly-approved positions proposed to continue in 2011/12; and for the estimated share of costs for the new system of administration of justice.

14. Further to the study on the evolution of the support account, the results of which had been presented in the support account budget for the period from 1 July 2009 to 30 June 2010 (A/63/767 and Corr.1), a follow-on study had been conducted to develop a conceptual staffing model for the support account. A summary of that study was contained in chapter I, section H, of the proposed budget.

15. Introducing the performance report on the budget of the United Nations Logistics Base at Brindisi for the period from 1 July 2009 to 30 June 2010 (A/65/642), he said that the approved budget for that period had amounted to $57.9 million, while expenditures for the

same period had amounted to $57.9 million, representing full utilization.

16. The proposed budget for the Logistics Base for the period from 1 July 2011 to 30 June 2012 (A/65/760) amounted to $60.5 million, representing a decrease of 11.2 per cent compared to the approved budget of $68.2 million for 2010/11.

17. The decrease was due to the proposed transfer to the support account of budgetary requirements for the tenant units and 52 international staff posts, as mentioned earlier. In addition, the completion of several multi-year capital, infrastructure and renovation projects in 2010/11 had resulted in reduced requirements for the upcoming period.

18. **The Chair** drew the Committee's attention to a statement by the Chairman of the Independent Audit Advisory Committee (IAAC), circulated informally, and to the IAAC report on the budget of OIOS under the support account for peacekeeping operations for the period from 1 July 2011 to 30 June 2012 (A/65/734).

19. **Ms. Malcorra** (Under-Secretary-General for Field Support), introducing the report of the Secretary-General on strengthening the capacity of the United Nations to manage and sustain peacekeeping operations (A/65/624 and Corr.1), said that the report set out the strategic and operational benefits, as well as the challenges, of the restructuring of the Department of Peacekeeping Operations and establishment of the Department of Field Support, as well as the adjustments proposed to consolidate the gains achieved. The report referred to a 2010 survey of peacekeeping and special political missions that had mirrored a 2008 OIOS survey in order to ensure consistency in determining the impact of the process in the field. The survey and other feedback and performance metrics had indicated demonstrable improvements in the Organization's capacity to manage and sustain peacekeeping operations.

20. The creation of the Department of Field Support had made mission support a strategic enabler for the implementation of political, peacekeeping and peacebuilding mandates in field operations. Two business models had been developed to further professionalize the management of peacekeeping: a strategic Headquarters that delivered guidance and support and a service provider that delivered specialized expertise to the field. Augmented management capacities had strengthened direction and oversight of peacekeeping and field support activities and the development of clearer performance standards. Integrated operational teams had demonstrated their value in providing integrated strategic and operational guidance and support to field missions. The establishment of the Office of Rule of Law and Security Institutions would make the delivery of peacebuilding mandates in those two areas more coherent. The sharing of resources by the two Departments had yielded organizational coherence and economies of scale in such areas as programme planning, communications and information management, situational awareness, crisis response, policy, training and evaluation. The joint business process improvement initiative by the Department of Management, the Department of Peacekeeping Operations and the Department of Field Support had led to improvements in planning, personnel and procurement.

21. The Department of Peacekeeping Operations and the Department of Field Support had built an institutional framework, including joint decision-making structures and a command and control policy, which ensured unity of command and integration of effort. An evaluation of command and control issues was currently under way, to be followed by a review of the policy. The Secretary-General's bulletins on the structure and reporting lines of the two Departments (ST/SGB/2010/1 and 2) had clarified roles and responsibilities. Missions had responded positively to the delegation of authority over all mission components to the special representative of the Secretary-General or the head of mission; that had strengthened unity of command. The reporting lines of non-Headquarters-based units under the support account had been refined.

22. Despite progress towards the objectives of the restructuring, challenges remained. The optimal functioning of the integrated operational teams had not yet been achieved. The results of measures taken to enhance the support delivered by the teams were presented in a separate report of the Secretary-General (A/65/669). The concept of integrated operational teams and its application should be kept under review and the teams' effectiveness should continue to be enhanced.

23. The Department of Political Affairs increasingly relied on the new or strengthened specialist capacities in peacekeeping for the backstopping of its missions. Mindful of the General Assembly's calls for support account funds to be used solely for backstopping

peacekeeping operations unless it gave prior approval, the peacekeeping Departments, together with the Department of Political Affairs and the Department of Management, were reviewing the current funding and backstopping arrangements for special political missions; the results would be presented to the General Assembly at its sixty-sixth session.

24. Minor, cost-neutral structural adjustments in the two peacekeeping Departments were being proposed: the renaming of the Peacekeeping Best Practices Section of the Department of Peacekeeping Operations as the Policy and Best Practices Service; the establishment of the Selection and Recruitment Section in the Police Division using existing resources from the Mission Management and Support Section; and reorganization of the Field Budget and Finance Division.

25. **Mr. Le Roy** (Under-Secretary-General for Peacekeeping Operations) recalled that the "new horizon" initiative begun in 2009 was intended to reform peacekeeping in four priority areas: achieving greater coherence around critical policy issues; generating the right quantity and quality of capabilities for field operations; making field support more efficient and cost-effective; and strengthening the planning, management and oversight of peacekeeping operations. Triangular consultations among the Security Council, troop-contributing countries and the Secretariat had been strengthened, as had mission mandate review and briefings on technical assessment missions. The Special Committee on Peacekeeping Operations had recently reached consensus on policy issues that would guide the strategic approach to the implementation of peacekeeping mandates.

26. Following a seven-year period of historic deployment levels, peacekeeping was now in a period of consolidation. Approximately 123,000 field personnel were deployed in 14 peacekeeping operations and one special political mission led by the Department of Peacekeeping Operations, with an annual supporting budget of approximately $7.6 billion. The Department of Field Support also backstopped 17 special political missions and field presences and had lead responsibility for support to the African Union Mission in Somalia (AMISOM) and 8 missions in liquidation. Without prejudging Security Council decisions, preparations were beginning for a transition in the Sudan following the recent referendum.

27. The missions in Darfur and the Democratic Republic of the Congo faced major challenges in implementing their mandates to protect civilians and respond to threats from spoilers. In Haiti, MINUSTAH had required resilience during a lengthy period of crisis following the January 2010 earthquake. In Côte d'Ivoire, UNOCI had adapted to volatile operational situations during the violence that had followed the elections. In that instance, with the political will of the Member States, the United Nations had defended a principled position and contributed to sustainable peace. Such challenges underscored the need for support to peacekeeping operations and a shared view of the strategic direction of United Nations peacekeeping by the different governing bodies.

28. The 2011/12 budget proposals for the support account and the Logistics Base (A/65/761 and A/65/760) reflected a more strategic approach to planning and a more accurate and transparent presentation of the full resource requirements for support to peacekeeping operations. The two sets of proposals had been developed as a package in order to locate resources where they could perform their functions most effectively; units would be funded on the basis of their functional reporting lines rather than their geographical location. The proposals took into account the constraints of the global financial climate and the need to use resources efficiently while also seeking sufficient resources to deliver peacekeeping mandates. They reflected the initial phase of the Global Service Centre reprofiling exercise, with the proposed redeployment of nine posts and one general temporary assistance position performing functions related to information and communications technology asset management; global education grant processing; financial systems technical support; field contracts management; and airfield/air terminal standards functions. The changes would result in a 2.2 per cent reduction in overall resources requested compared to the appropriations for 2010/11.

29. The progress of the reform and improvement of peacekeeping demonstrated the sustained commitment of the Department of Peacekeeping Operations and the Department of Field Support to adapting and improving to meet the evolving requirements of United Nations peacekeeping. Their contribution to broader initiatives such as Umoja and IPSAS implementation showed their dedication to improving the Secretariat's effectiveness and efficiency.

30. In conclusion, he paid tribute to the dedication of personnel serving in United Nations peacekeeping operations and particularly to those who had perished in the service of peace.

31. **Mr. Kelapile** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report on strengthening the capacity of the United Nations to manage and sustain peacekeeping operations and financing of the peacekeeping support account (A/65/827), said that the restructuring of the Department of Peacekeeping Operations and the Department of Field Support and the capacities added should lead to more efficient management of the backstopping of peacekeeping operations. The Advisory Committee recommended that the General Assembly should take note of the Secretary-General's report on that subject (A/65/624).

32. The Advisory Committee noted the results of the study carried out to develop staffing models and formulas for determining support account requirements. It was the Secretariat's responsibility to develop proposals in that regard and to decide what constituted a core or basic capacity necessary to manage and backstop peacekeeping operations and what constituted a scalable capacity that responded to changes in the level of peacekeeping activity. However, such proposals should be accompanied by an assessment of existing management capacities, structures and processes and should take all available resources into account. The current consolidation in the level of peacekeeping should potentially lead to a further reduction in the proposals for backstopping resources, in view of the increases provided in recent years.

33. The Advisory Committee recommended that consideration should be given to presenting budget proposals for the support account and the Logistics Base in a single report in order to provide an overview of support costs and avoid fragmentation of their presentation.

34. The Secretary-General had proposed resources in the amount of $315.3 million for the 2011/12 support account budget, excluding the amount of $47 million for ERP requirements. The increase of $8.6 million was mostly related to the shift of requirements for 52 posts from the Logistics Base budget to the support account budget and to resources related to IPSAS implementation and the support account share of the requirements for the administration of justice. The temporary posts proposed included six new posts; the Advisory Committee recommended that two of them should be approved and that the functions of the remaining four should be provided under general temporary assistance. It also recommended the abolishment of one post and the reinstatement of one general temporary assistance position whose elimination had been proposed. Those recommendations would lead to a reduction of $1,739,900 in the Secretary-General's proposals; the details of the Advisory Committee's recommendations were set out in paragraphs 82 to 244 of its report (A/65/827).

35. The Advisory Committee had taken note of the preparatory work undertaken and the timeline of activities to be accomplished in preparation for the transition to IPSAS in 2014. It recommended that the Secretary-General should monitor and oversee that work and would revert to the matter during its consideration of the next progress report on the IPSAS project.

36. The shortcomings associated with the roll-out of the talent management system, Inspira, should be rectified to ensure that vacant positions in field missions were filled without further delay, as requested in General Assembly resolution 65/247.

37. With regard to the performance report on the budget of the support account (A/65/610 and Add.1), the Advisory Committee recommended that the General Assembly should appropriate and assess the additional amount of $24.4 million relating to the commitment authority provided to the Secretary-General for the ERP project, which had not been assessed.

38. Introducing the Advisory Committee's report on the financing of the Logistics Base (A/65/743/Add.12), he said that the Advisory Committee recommended approval of the proposed budget of $60,528,400 for the Logistics Base for 2011/12.

39. In its cross-cutting report on peacekeeping issues (A/65/743), the Advisory Committee commented on the Secretary-General's proposals for the reprofiling of the Logistics Base as part of the new service delivery model under the global field support strategy. The proposed budget for the Base set out a three-phase approach for that reprofiling, with five backstopping functions to be transferred from Headquarters in the first phase. The Advisory Committee recommended

approval of the proposed transfers, but requested that future proposals should be based on more complete analysis.

40. The Secretary-General proposed to streamline existing support capabilities at the Logistics Base to support its reprofiling as the Global Service Centre. The time was opportune to review administrative processes and eliminate inefficiencies and duplications. Improved methods should lead to economies in future requirements for human and financial resources.

41. The Advisory Committee had noted that the budget proposals for the three remaining tenant units — the Integrated Training Service, standing police capacity and standing justice and corrections capacity — had been submitted under the support account while the units would continue to be located at the Logistics Base. The Advisory Committee had made suggestions to avoid fragmentation in the report on the financing of the support account as further functions were transferred from Headquarters.

42. The Advisory Committee had requested the Secretary-General to provide, in the context of the next budget submission, the findings of the review of strategic deployment stocks currently under way as part of the global field support strategy and a proposal for the efficient and effective management of those stocks.

43. **Mr. Di Luca** (Argentina), speaking on behalf of the Group of 77 and China, said that peacekeeping operations must have the necessary resources — including backstopping resources — to fulfil their mandates during every phase. The level of the support account should correspond broadly to the mandate, number, size and complexity of missions. Genuine partnership between the Secretariat and troop-contributing countries on all aspects of peacekeeping support was crucial.

44. There was considerable room for improvement in the representation of troop-contributing countries in senior management, both at Headquarters and in the field, to ensure coherence between those who managed operations and those who provided the human resources on the ground. The Group was concerned at the continuing low proportion of women from developing countries in the Secretariat, especially at senior levels.

45. **Mr. Kaegi** (Switzerland), speaking also on behalf of Liechtenstein, said that the support account, which had grown substantially in the previous five years, no longer covered simple backstopping functions but had evolved into an overarching centre for support services with greater focus on oversight and strategic management. Now that the growth in peacekeeping operations had ended and the reforms had begun to deliver the expected benefits, the General Assembly should seize the opportunity to contemplate the future evolution of the support account, which was probably not being managed as efficiently or systematically as it could be, given the Assembly's tendency to micromanage it rather than to take strategic decisions. The roles and responsibilities of all parties involved should be examined on the basis of the recent studies on the evolution of the account.

46. **Ms. Takahashi** (Norway) said that the Secretary-General, in seeking to address the challenges posed by the diversity of funding streams, budget cycles and planning mechanisms for special political missions, should recognize that those challenges were also relevant to missions with multidimensional mandates within the wider United Nations system, and should pay particular attention to the lines of accountability and organizational procedures for joint programmes and the financing of programmes funded by both assessed and voluntary contributions.

47. She welcomed the progress made in establishing the Global Service Centre at Brindisi and the Regional Service Centre at Entebbe. The development of standardized modules was also noteworthy; care must be taken to ensure that they remained flexible.

48. The Secretary-General's focus on partnerships and dialogue with key stakeholders was commendable. A regional review of civilian capacities in the aftermath of conflict could facilitate the provision of civilian staff from neighbouring countries for missions.

49. A single report covering the support account and the Logistics Base would provide a more comprehensive view of backstopping expenditure for peacekeeping operations. Such a presentation should, however, take into account the fact that some backstopping services would also be provided to the wider United Nations system.

The meeting rose at 11.30 a.m.

United Nations A/C.5/65/SR.36

General Assembly
Sixty-fifth session

Official Records

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12 September 2011

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Fifth Committee

Summary record of the 36th meeting
Held at Headquarters, New York, on Thursday, 12 May 2011, at 3 p.m.

Chair: Mr. Rosenthal ..... (Guatemala)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

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Agenda item 131: Improving the financial situation of the United Nations (*continued*)

Agenda item 113: Appointments to fill vacancies in subsidiary organs and other appointments (*continued*)

(a) Appointment of members of the Advisory Committee on Administrative and Budgetary Questions (*continued*)

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11-33390 (E)

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The meeting was called to order at 3.15 p.m.

Agenda item 131: Improving the financial situation of the United Nations (*continued*)

1. **Ms. Kane** (Under-Secretary-General for Management), accompanying her statement with a computerized slide presentation, said that she would focus on four main financial indicators: assessments issued, unpaid assessed contributions, available cash resources and debt to Member States. The overall financial situation had improved in calendar year 2010, since although assessments in 2010 had been $3.5 billion higher than in 2009, unpaid assessments had risen by only $0.6 billion. Cash on hand had been higher by $772 million at the end of 2010, mainly as a result of an increase in the cash balance for peacekeeping operations.

2. Turning first to the regular budget, she noted that levels of assessments and payments had both been lower in 2010 than in 2009, by $333 million and $431 million, respectively. Unpaid assessed contributions had increased to $351 million as at 31 December 2010, compared to $335 million a year earlier. By the end of 2010, 138 Member States — two more than in 2009 — had paid their regular budget assessments in full. She urged the remaining Member States to pay their assessed contributions for 2010 in full as soon as possible. Most of the amount outstanding was owed by five Member States, with the remaining 49 Member States accounting for approximately 1 per cent of unpaid assessed contributions. By 10 May 2011, 86 Member States — or 11 more than the preceding year — had paid their regular budget assessments in full.

3. In comparison with 2010, the financial position of the regular budget as at 10 May 2011 reflected the net result of both higher assessments and lower payments received. Unpaid assessed contributions had been $366 million higher on 10 May 2011 than a year earlier, while payments received by 10 May 2011 had been $101 million lower than on 10 May 2010. There had been an increase of $249 million in the regular budget assessment for 2011. Eleven countries accounted for over 96 per cent of the $1.3 billion outstanding on 10 May 2011. The final outcome for 2011 would largely depend on the action taken by those Member States.

4. Cash resources for the regular budget comprised the General Fund, into which assessed contributions were paid; the Working Capital Fund, authorized periodically by the General Assembly; and the Special Account. As at 10 May 2011, the total cash resources available had stood at $1,168 million, compared to $813 million on 31 December 2010, which reflected a net increase in payments over expenditures in the year to that date. The projected cash balance for the end of December 2011 was lower than the cash balance in December 2009, mainly because the assessments issued during the 2010-2011 period were projected to be $330 million lower than the amount appropriated. The final cash position would largely depend on the action taken by the 11 countries that had not yet paid their regular budget assessments.

5. Financial outcomes for peacekeeping activities were hard to forecast because of unpredictable demand. That, together with the fact that the financial period for peacekeeping ran from 1 July to 30 June rather than from 1 January to 31 December, the issuance of separate assessments for each operation and the issuance of assessments for different periods throughout the year, depending on the mandate period approved by the Security Council for each mission, complicated a comparison between the financial situation of peacekeeping operations and that of the regular budget and the international tribunals.

6. The total amount outstanding for peacekeeping operations at the end of 2010 had been just under $2.5 billion, which was $608 million higher than the amount of $1.85 billion outstanding at the end of 2009. However, that increase in the amount outstanding had been significantly lower than the increase of over $3.9 billion in assessments in 2010, owing to the increase of nearly $2.3 billion in payments received during 2010 compared with 2009. Of the amount outstanding at the end of 2010, approximately 83 per cent had been owed by nine Member States.

7. The unpredictable amount and timing of peacekeeping assessments made it more difficult for Member States to keep fully current with their payments. The 27 Member States that had paid all their peacekeeping assessments as at 31 December 2010 therefore deserved special thanks.

8. Although the cash available for peacekeeping at the end of 2010 had been over $3.2 billion, that amount had been divided among the separate accounts

maintained for each operation and there were restrictions on its use. The General Assembly had specified that no peacekeeping mission should be financed by borrowing from other active missions and the terms of reference of the Peacekeeping Reserve Fund restricted its use to new operations and the expansion of existing operations. At the end of 2010, cash balances for peacekeeping had totalled $2,674 million in the accounts of active missions, $414 million in those of closed missions and $141 million in the Peacekeeping Reserve Fund.

9. The financial position of peacekeeping operations as at 10 May 2011 showed improvement compared with a year earlier, as well as with the situation at the end of 2010. Against new assessments of over $1.6 billion by 10 May 2011, contributions of over $2.4 billion had been received, reducing the amount outstanding from over $2.4 billion at the end of 2010 to about $1.7 billion. Some 80 per cent of the amount outstanding for peacekeeping operations as at 10 May 2011 had been owed by seven Member States. She expressed special thanks to the 31 Member States that had been fully current with their peacekeeping assessments due and payable as at 10 May 2011. Another State had paid its peacekeeping assessments in full since that date.

10. It was estimated, on the basis of projected receipts and disbursements and of the Secretary-General's proposed distribution of cash balances in closed peacekeeping operations, that total cash available in peacekeeping accounts at the end of 2011 would amount to over $2.4 billion, with approximately $2.1 billion in the accounts of active missions, $193 million in the accounts of closed missions and $140 million in the Peacekeeping Reserve Fund.

11. As at 31 December 2010, the amount owed to Member States for troops/formed police units and contingent-owned equipment had been $539 million, compared with $787 million at the start of the year. A slight decrease in new obligations was projected, mainly reflecting the closure of the United Nations Mission in the Central African Republic and Chad (MINURCAT), a reduction of military personnel in the United Nations Mission in Liberia (UNMIL) and a reduction of police personnel in the United Nations Integrated Mission in Timor-Leste (UNMIT), partially offset by increased military and police deployment in the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and the United Nations Stabilization Mission in Haiti (MINUSTAH).

12. It was projected that by the end of 2011 the debt to Member States would increase slightly to $568 million, taking into account projected new obligations of $2.0 billion and projected payments of just under $2.0 billion. As at 10 May 2011, the amount owed had been $728 million, of which about 50 per cent had been owed to eight Member States. Payments for troops and formed police units were current as of February 2011 for all active missions. Payments for contingent-owned equipment were current as of December 2010 for all active missions except the United Nations Peacekeeping Force in Cyprus (UNFICYP), because of insufficient cash in the special account for that mission.

13. Projected payments for 2011 were dependent on the timely finalization of memorandums of understanding: at the end of April 2011, 32 out of 366 memorandums of understanding for peacekeeping operations had yet to be finalized. The actual level of payments would, naturally, also depend on Member States meeting their financial obligations to the United Nations.

14. The financial position of the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia had improved slightly in 2010, with outstanding assessments for both Tribunals decreasing from $37 million at the end of 2009 to $27 million at the end of 2010. Some 63 per cent of the outstanding amount was owed by three Member States. By the end of 2010, 98 Member States — seven fewer than at the end of 2009 — had paid their assessed contributions for both Tribunals in full, and she urged the remaining Member States to follow their example. The situation had remained largely unchanged in 2011, as 61 Member States had paid their assessed contributions to both Tribunals in full by 10 May 2011, matching the levels on the same date a year earlier. Two more Member States had paid their assessed contributions for both Tribunals in full after that date. Unpaid assessments as at 10 May 2011 had amounted to $133 million, which was higher than the $63 million outstanding as at 10 May 2010. Nevertheless, on the basis of current projections, the Tribunals should end 2011 with positive cash balances. However, the final outcome would depend on Member States continuing to honour their financial obligations to the Tribunals.

15. Since the approval of the $1.9-billion capital master plan budget in December 2006, 12 Member States had chosen to make a one-time payment, while 180 Member States had opted for the multi-year payment plan. As at 10 May 2011, 186 Member States had made payments totalling $1.7 billion, with $116 million still outstanding. Furthermore, as at the same date, 179 Member States had made payments totalling $44.9 million to the working capital reserve of $45 million that had also been established under the capital master plan account, to be funded by advances from Member States and apportioned at the rates of assessment for 2007. As of 10 May 2011, 92 Member States had fully paid their capital master plan assessments and 95 Member States had made partial payments, while 5 had not yet made any payments.

16. In conclusion, she paid a special tribute to those Member States that had paid in full all assessments due and payable as at 10 May 2011 for the regular budget, peacekeeping operations, the international tribunals and the capital master plan. There had been signs of progress in the Organization's financial position in 2010, and it was particularly heartening to note the increase in the number of Member States that were meeting their financial obligations in full. However, there were still significant amounts outstanding and the final outcome for 2011 would depend largely on action to be taken by a handful of Member States. Although outstanding assessments might in part be attributable to inevitable synchronization issues between the accounting cycles of Member States and the United Nations, the Organization's financial health depended, as always, on Member States meeting their financial obligations in full and on time.

Agenda item 113: Appointments to fill vacancies in subsidiary organs and other appointments (*continued*)

(a) Appointment of members of the Advisory Committee on Administrative and Budgetary Questions (*continued*) (A/65/101/Rev.1/Add.1)

17. **The Chair** drew attention to document A/65/101/Rev.1/Add.1, which indicated that Ms. Susan McLurg (United States of America) had resigned from the Advisory Committee on Administrative and Budgetary Questions, with effect from 22 July 2011, and that the United States Government had nominated Mr. David Traystman, whose candidature had been endorsed by the Group of Western European and other States, to complete the unexpired portion of Ms. McLurg's term of office. If he heard no objection, he would take it that the Committee wished to recommend the appointment of Mr. Traystman to the Advisory Committee for a term of office beginning on the date of appointment and ending on 31 December 2011.

18. *It was so decided.*

19. *Mr. Traystman was recommended for appointment to the Advisory Committee on Administrative and Budgetary Questions for a term of office beginning on the date of his appointment and ending on 31 December 2011.*

The meeting rose at 3.45 p.m.

United Nations A/C.5/65/SR.37

General Assembly
Sixty-fifth session

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Fifth Committee

Summary record of the 37th meeting
Held at Headquarters, New York, on Friday, 13 May 2011, at 10 a.m.

Chair: Mr. Rosenthal ..... (Guatemala)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

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Agenda item 157: Financing of the United Nations Mission in the Sudan (*continued*)

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Agenda item 160: Financing of the activities arising from Security Council resolution 1863 (2009)

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11-33671 (E)

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The meeting was called to order at 10.15 a.m.

Agenda item 153: Financing of the United Nations Stabilization Mission in Haiti (*continued*) (A/65/703 and Corr.1, A/65/743/Add.15 and A/65/776)

Agenda item 157: Financing of the United Nations Mission in the Sudan (*continued*) (A/65/630 and Corr.1, A/65/731, A/65/743/Add.10 and A/65/752)

Agenda item 159: Financing of the African Union-United Nations Hybrid Operation in Darfur (A/65/631, A/65/740 and A/65/743/Add.13)

Agenda item 160: Financing of the activities arising from Security Council resolution 1863 (2009) (A/65/619, A/65/743/Add.16 and A/65/809)

1. **Mr. Yamazaki** (Controller), introducing the performance report on the budget of the United Nations Stabilization Mission in Haiti (MINUSTAH) for the period from 1 July 2009 to 30 June 2010 (A/65/703 and Corr.1), said that the approved budget for that period had amounted to $732.4 million and expenditure to $713.7 million, leaving an unencumbered balance of $18.7 million, which represented a utilization rate of 97.5 per cent. The main causes of the variance were delays in the deployment of the additional military contingent and police personnel, including contingent-owned equipment authorized by Security Council resolution 1908 (2010), and deployment of some equipment by ship rather than by air. Other variances were the direct or indirect results of the earthquake in Haiti, namely, higher actual vacancy rates for civilian personnel owing to the absence of staff from the Mission area following the earthquake and lower than projected requirements for exceptional entitlements for affected staff; additional requirements for the acquisition of prefabricated facilities, sea containers and equipment for the new offices and accommodations and for the support of camps for internally displaced persons and of new contingents deployed immediately following the adoption of Security Council resolution 1908 (2010); replacement of information and communications technology and ground transportation equipment damaged during the earthquake; and additional requirements for official travel owing mainly to the temporary assignment of staff from Headquarters and from other peacekeeping operations, costs associated with the deployment of staff to the Mission Support Centre in Santo Domingo, and the cost and higher number of selection and assessment visits to police-contributing countries. The General Assembly was invited to take the actions set out in paragraph 52 of the performance report.

2. The proposed budget of $810.3 million for MINUSTAH for the period from 1 July 2011 to 30 June 2012 (A/65/776) represented a 5.1 per cent decrease compared to the budget of $853.8 million approved by the General Assembly for 2010/11. The main factors contributing to the decreased resource requirements were the application of higher delayed deployment factors for military contingents and formed police personnel, refinement of the estimates for the reimbursement of contingent-owned equipment costs, lower average costs of rotation travel based on recent expenditure patterns, and no provision for freight and deployment of equipment, which was projected to be fully deployed in 2010/11; exclusion of provisions for support to the Office of the Special Envoy and direct support to the Government of Haiti; and fewer acquisitions of vehicles and communications and information technology equipment. The General Assembly was invited to take the actions set out in paragraph 105 of the budget report.

3. Introducing the performance report on the budget of the United Nations Mission in the Sudan (UNMIS) for the period from 1 July 2009 to 30 June 2010 (A/65/630 and Corr.1), he said that the General Assembly had appropriated funding of $958.4 million for the maintenance of the Mission and that expenditure had amounted to $932.5 million, leaving an unencumbered balance of $25.9 million, which represented an implementation rate of 97.3 per cent. The main causes of the variance were lower costs of rations and bottled water as a result of using drinking water from water treatment plants; unutilized balances for international staff owing to lower actual common staff costs than budgeted and discontinuation of hazardous duty station allowance payments for staff in Khartoum, El Obeid and Port Sudan, effective February 2010; lower consumption of aviation fuel due to the non-deployment of two aircraft and shorter periods of deployment of five aircraft; delays in implementation of the disarmament, demobilization and reintegration programme; additional requirements for national staff with the application of new salary scales; higher within-mission travel costs than foreseen to support the April 2010 elections in the Sudan; and additional requirements for the acquisition of information technology equipment for the United

Nations House in Juba. The General Assembly was invited to take the actions set out in paragraph 67 of the performance report.

4. The proposed budget of $947.1 million for the period from 1 July 2011 to 30 June 2012 (A/65/731) reflected a 6 per cent decrease relative to the funding of $1,008 million, including the $70 million for support for the referendums in Southern Sudan, appropriated by the General Assembly for 2010/11. The main causes of the variance were the application of new salary scales for international staff, lower delayed recruitment factors for international and national staff, and higher rental and operation costs for helicopters. The General Assembly was invited to take the actions set out in paragraph 96 of the budget report.

5. Introducing the performance report of the African Union-United Nations Hybrid Operation in Darfur (UNAMID) for the period from 1 July 2009 to 30 June 2010 (A/65/631), he said that the General Assembly had appropriated funding of $1,598.9 million and that expenditure had amounted to $1,547.8 million, leaving an unencumbered balance of $51.1 million, representing an implementation rate of 96.8 per cent. The main causes of the variance were reduced rates for fresh rations and the delayed deployment of contingent-owned equipment; reduced requirements for construction services owing primarily to the cancellation of a contract after the contractor was unable to mobilize the required resources and put in place the necessary logistical arrangements; increased international staff costs owing to a lower than budgeted vacancy rate and higher actual costs; and increased resource requirements for the use of a third-party logistics provider to clear a backlog of United Nations-owned equipment at Port Sudan. The General Assembly was invited to take the actions set out in paragraph 94 of the performance report.

6. The proposed budget of $1,708.7 million for the period from 1 July 2011 to 30 June 2012 (A/65/740) reflected a 5.5 per cent decrease relative to the funding of $1,808.1 million appropriated by the General Assembly for the maintenance of the Mission for 2010/11. The main causes of the variance were lower estimated resources for international staff costs, reduced requirements for construction services owing to the near completion of major projects, and reduced requirements for rations based on the prevailing contract terms. The General Assembly was invited to take the actions set out in paragraph 189 of the budget report.

7. Introducing the performance report on the financing of support of the African Union Mission in Somalia (AMISOM) for the period from 1 July 2009 to 30 June 2010 (A/65/619), he said that the General Assembly had appropriated funding of $213.6 million and expenditure had amounted to $164.3 million, leaving an unencumbered balance of $49.3 million, which represented a utilization rate of 76.9 per cent. The main causes of the variance were unutilized balances under facilities and infrastructure as a result of delays in the approval of four major construction projects and the challenging security situation in Mogadishu; slower than projected deployments of AMISOM contingents; and a delay in staff recruitment. The General Assembly was invited to take the actions set out in paragraph 46 of the performance report.

8. The proposed budget of $303.9 million for the period from 1 July 2011 to 30 June 2012 (A/65/809) reflected a 74.3 per cent increase over the funding of $174.3 million appropriated for 2010/11. The main causes of the variance were increased requirements for military and police personnel costs as a result of the increase in the African Union force strength from 8,000 to 12,000 troops requested by Security Council resolution 1964 (2010), and an increase in the cost of troop rotations; increases in civilian personnel costs with the addition of 56 new posts and temporary positions; increased requirements for facilities and infrastructure, ground transportation, and medical and other supplies and services to support the increased number of troops; and increased requirements for facilities and infrastructure, ground transportation and naval transportation based on contractual prices of the existing turnkey fuel contract, the establishment of long-term maintenance service for vehicles, and the acquisition of special-purpose and materials-handling vehicles. The General Assembly was invited to take the actions set out in paragraph 125 of the budget report.

9. Pursuant to financial regulation 4.6 as amended by General Assembly resolution 64/269, the Secretary-General had sought the concurrence of the Advisory Committee on Administrative and Budgetary Questions to enter into commitments in an amount not exceeding $35.9 million for the period from 1 July 2010 to 30 June 2011 for the expanded operational activities and additional logistical and personnel requirements of the United Nations Support Office for AMISOM. The

Advisory Committee had agreed, subject to efforts to absorb $4.4 million of projected overexpenditure under civilian staff costs.

10. **Mr. Kelapile** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report on the financing of MINUSTAH (A/65/743/Add.15), said that, based on information from the Secretary-General regarding a change in the planning assumptions for the proposed construction of the new Mission headquarters, the Advisory Committee recommended a reduction of $17 million in the proposed budget of MINUSTAH. The Mission, now in its second year of post-earthquake surge capacity, was focusing on efforts to expand and sustain the stabilization gains achieved and to phase out that capacity as security conditions improved. There would be a renewed focus on the Mission's core mandate of maintaining political stability and establishing the rule of law in Haiti through support for capacity-building in the Haitian National Police and other State institutions. The support provided to the Government included construction of office accommodations and a temporary parliament building. The Advisory Committee welcomed the positive impact of the community violence reduction programme and quick-impact projects to address the risk of resurgence of violence in communities at risk. The Advisory Committee's recommendation on the performance report for MINUSTAH for 2009/10 (A/65/703 and Corr.1) was set out in paragraph 54 of its report.

11. Introducing the Advisory Committee's report on the financing of UNMIS (A/65/743/Add.10), he said that the Secretary-General's proposed budget had been developed on the basis of a continuation of the Mission's mandate through 30 April 2011 as reflected in Security Council resolution 1919 (2010). However, by its resolution 1978 (2011), the Security Council had extended the mandate of UNMIS until 9 July 2011, announced its intention to establish a mission to succeed UNMIS and authorized UNMIS to utilize its assets to prepare for the establishment of the successor mission. The Advisory Committee therefore recommended that the General Assembly should appropriate, with assessment, an amount of $473,538,450 for the maintenance of UNMIS for the six-month period from 1 July 2011 to 31 December 2011. The Advisory Committee's recommendation on the performance report for UNMIS for the 2009/10 period was set out in paragraph 31 of its report.

12. Introducing the Advisory Committee's report on the financing of UNAMID (A/65/743/Add.13), he said that it recommended a reduction of $14.1 million, stemming from its recommendation that the delayed deployment factor for United Nations police should be increased from 10 per cent to 17 per cent in view of their current deployment status and the difficulties experienced by the Operation in obtaining visas for non-Arabic-speaking police officers. The Advisory Committee's detailed observations and recommendations on the Secretary-General's proposed budget for UNAMID for 2011/12 were set out in chapter IV, section B, of its report.

13. With regard to the civilian staffing component, the Advisory Committee continued to be concerned at the recruitment and retention problems in UNAMID. The number of selected candidates who subsequently declined their offers of appointment was particularly troubling. While the Operation had taken some steps to improve matters, additional measures should be explored, including the further improvement of amenities, the availability of adequate accommodation and the provision of welfare and support services.

14. Concerning liaison with the African Union, the Advisory Committee noted that, in view of the establishment of the United Nations Office to the African Union and the related integration of the United Nations peace and security presence in Addis Ababa, the level of representational tasks assigned to the Joint Support and Coordination Mechanism of UNAMID would be reduced. Accordingly, the Secretary-General proposed to reassign one P-5 post to the Office of the Chief of Staff. The Advisory Committee did not object to the proposal but expected that, once the United Nations Office to the African Union was operating at full capacity, further opportunities for downsizing the Joint Support and Coordination Mechanism would be explored.

15. The Advisory Committee's recommendation on the performance report of UNAMID was set out in paragraph 66 of its report. In its comments and observations on the financial performance of UNAMID during the 2009/10 period, the Advisory Committee had observed that a significant number of planned outputs had not been completed or had been only partially completed. While it recognized that external

factors created particular difficulties for the completion of the Operation's objectives, UNAMID should nevertheless redouble its efforts to implement all its expected accomplishments for 2011/12.

16. Introducing the Advisory Committee's report on the financing of support of AMISOM (A/65/743/Add.16), he said that its recommendations would entail a reduction of $4,984,900 in the proposed budget. The proposed staffing level for the 2011/12 period represented an increase of 54 posts and 2 positions, including redeployment of 4 posts from the United Nations Political Office for Somalia to the United Nations Support Office for AMISOM. The Advisory Committee recommended against the establishment of 10 of the 50 posts proposed, as the functions envisaged for some of the posts could be accommodated from within the available capacity of the United Nations Support Office for AMISOM.

17. With respect to the deployment of 4,000 additional troops to AMISOM under Security Council resolution 1964 (2010), the Advisory Committee had been informed that 1,000 had been deployed in March 2011 and that a further 2,000 would be deployed in April and June 2011. It was yet to be determined which country would contribute the other 1,000 troops. Given the uncertainty of full deployment, and in light of the previous and current deployment trends, the Advisory Committee recommended that the delayed deployment factor for military contingent personnel should be adjusted from the proposed 10 per cent to 15 per cent for 2011/12. In that event, the related increases proposed under operational costs would have to be reduced accordingly.

18. **Ms. Lapointe** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services on the programme evaluation of the performance and the achievement of results by UNMIS (A/65/752), said that the Security Council, in its resolution 1978 (2011), had decided to extend the mandate of UNMIS until 9 July 2011 and had announced its intent to establish a mission to succeed UNMIS. Since its inception in 2005, UNMIS had operated in unique circumstances and the present report offered an opportunity to seamlessly apply its experience and lessons learned to the successor mission.

19. The Mission's support in implementing the Comprehensive Peace Agreement had contributed to a sustained ceasefire between North and South Sudan. Most of the governmental bodies and laws stipulated in the Agreement were in place and a wealth-sharing arrangement had been established. Other achievements included the successful support of elections, advancements in mine action, and ensuring the safety and security of personnel. The Mission's initial emphasis on Darfur demonstrated the impact of clear focus on the achievement of key mandates.

20. The national elections, however, had exposed weaknesses in the cooperation with the United Nations country team, which was partially due to the absence of a strategic planning cell. Had it been established at the outset, such a cell might have provided a framework for integrated programme planning and implementation. While cooperation had increased among the components of the Integrated United Nations Disarmament, Demobilization and Reintegration Unit during the time of the referendum in Southern Sudan, a closer partnership with the United Nations Development Programme would have been beneficial. The successor mission must initiate a more effective partnership with the country team and other relevant stakeholders to enable "serving as one".

21. **Ms. Pakarati** (Chile), speaking on behalf of the Rio Group, said that international efforts, which were fundamental to the reconstruction of Haiti, could succeed only through a long-term project under Haitian leadership and with full respect for the country's sovereignty. MINUSTAH should be given the resources it needed to discharge its renewed mandate and should be maintained in accordance with the wishes of the Government and people of Haiti. The Group would oppose any arbitrary reduction in those resources.

22. Rio Group members, whose support for peace and sustainable development in Haiti had predated the establishment of MINUSTAH, were the main contributors of troops and police to the Mission. They also provided technical cooperation, humanitarian and medical assistance, and other forms of support through bilateral, regional and multilateral mechanisms. To make a lasting contribution, the United Nations must address not only security but also economic development and institution-building. The Mission should therefore make the best use of available resources and capacities, including its engineers, to support Haiti's reconstruction and development. The Group, for its part, would continue to work with the

Government to implement long-term development strategies and to contribute to peacekeeping as necessary.

23. MINUSTAH had played an important role during the recent presidential and parliamentary elections, in cooperation with Haitian authorities and regional organizations, to help consolidate democracy and governance. Quick-impact projects, which responded to the immediate needs of local populations and built trust in the peacekeeping process, should be implemented according to the priorities set by the Haitian Government. The Group also supported the expansion of community violence reduction activities, including labour-intensive and income-generating projects for youth and women, which were crucial in addressing violence in at-risk communities and camps for internally displaced persons.

24. **Mr. Lafortune** (Canada), speaking also on behalf of Australia and New Zealand, said that Haiti needed international support to meet its humanitarian needs and, in the long term, to rebuild its infrastructure and institutions. Haitians were rightly frustrated by ongoing problems related to the removal of debris from the 2010 earthquake and the lack of housing, employment and access to basic services. Nevertheless, the strengthening of security institutions by MINUSTAH had ensured a more stable and secure environment for reconstruction and humanitarian efforts.

25. The Mission's increased focus on strengthening governance and the rule of law in Haiti would be a determining factor in long-term success. The three delegations welcomed the Secretary-General's proposal to establish a new compact for the rule of law, in support of the Haitian Government and in collaboration with the international community, in order to implement a reform programme focusing on the police and on judicial and correctional institutions.

26. Any future decision to reduce the number of troops and police officers deployed to MINUSTAH must be made with great caution and should be planned in consultation with the Government. It would be crucial, when reassessing the Mission's mandate, to bear in mind the need to maintain political and social stability in Haiti.

27. **Mr. Di Luca** (Argentina) said that, following the earthquake of January 2010 in Haiti, it had been necessary to refocus MINUSTAH operations on maintaining political stability, restoring the institutional capacity of the national police and judicial and correctional institutions, and building the capacity of the State to protect the rights of vulnerable groups, provide humanitarian assistance and safeguard the country's borders. Those urgent requirements had tested the international community's commitment to Haiti's reconstruction, which required ongoing international cooperation. His Government's commitment was reflected in the fact that 70 per cent of peacekeeping troops from Argentina were deployed in MINUSTAH. The Mission's budget must provide adequate funding for strengthening the rule of law, rebuilding Haitian institutions, and reconstruction. The United Nations should also play a greater role in coordinating international support, which must be based on national priorities, with the goal of achieving sustained stability and the gradual transfer of responsibilities to Haitian authorities.

28. Given the special contribution that troop-contributing countries made to such efforts, it was necessary to ensure that they received full and timely reimbursement. The Committee must address an increase in payments for troop costs, which were long overdue for a review and now placed a financial burden on troop-contributing countries that might jeopardize their continued participation in peacekeeping operations.

29. **Mr. Déjoie** (Haiti) said that since its establishment by the Security Council in 2004, MINUSTAH had unfailingly supported the Haitian people in their quest for a stable and lasting democracy. The Government and people of Haiti were deeply grateful to the United Nations and its Member States for their support and wished to thank in particular the outgoing Head of Mission, Ambassador Edmond Mulet, for his commitment to the cause of Haiti. The upcoming inauguration of President-elect Michel Martelly before a democratically elected parliament would be welcomed by all those who continued to assist Haiti as it sought to establish political stability, address its many challenges, strengthen good governance and promote sustainable development.

30. His delegation was concerned that, nine months after the deployment of a special team to accelerate recruitment for MINUSTAH, the vacancy rate for national posts was still 36 per cent. He urged the

Secretariat to make every effort to fill the vacancies as quickly as possible.

31. He welcomed the Secretary-General's proposal to maintain funding for quick-impact projects and community violence reduction programmes at $7.5 million and $9 million respectively. MINUSTAH should coordinate such activities more closely with the Government in order to avoid the duplication of projects that, as noted by the Advisory Committee, had resulted in the cancellation of contracts. The proposal to reorganize the quick-impact projects and increase maximum funding per project to $100,000 would facilitate the implementation of projects geared towards urgent needs.

32. Ensuring that local vendors had access to the United Nations procurement process was crucial for the country's sustainable development, which would in turn underpin its security and stability. His delegation would seek an update from the Secretariat, during the informal consultations, on the specific steps that had been taken to that end.

33. **Ms. Guerra** (Colombia) said that the implementation of long-term security and development strategies within a coherent and effective framework, which was crucial for Haiti, would require ongoing coordination among the Government of Haiti, MINUSTAH and the Interim Haiti Recovery Commission.

34. **Mr. dos Santos** (Brazil) said that Brazil's participation in MINUSTAH was based on a spirit of solidarity and was aimed at strengthening Haitian national leadership in order to build a prosperous, democratic, stable and sovereign Haiti. He welcomed the progress Haiti had achieved with the support of MINUSTAH, which had helped improve security and stability, including during the elections. The humanitarian situation had also improved, although much remained to be done to assist those still living in camps.

35. MINUSTAH would require resources to support the Haitian Government in tackling security challenges such as resurgent gang violence, criminality and violence in camps. Security gains must be accompanied by social and economic opportunities and reconstruction and the Mission could help spur a virtuous cycle of stability and prosperity by supporting job creation and income generation. MINUSTAH should have a multidimensional focus in future, with increasing emphasis on civil affairs, community violence reduction, human rights, rule of law and policing. All necessary resources should be provided for community violence reduction programmes and quick-impact projects, which fostered good relations between peacekeepers and local populations. Such an approach would make peacekeepers early peacebuilders and deliver sustainable peace dividends, which was in keeping with his Government's view that the use of force should be the last resort.

36. Noting that a five per cent reduction in the proposed budget for MINUSTAH had resulted from a reduction in the number of international staff posts to offset the cost of harmonizing the conditions of service pursuant to General Assembly resolution 65/248, he recalled that the Assembly had clearly stated that the harmonization must not impact on operational costs or undermine the implementation of mandated programmes and activities.

37. In view of the continuing needs in Haiti and the Mission's future tasks, he was concerned at the reductions proposed by the Secretary-General and the Advisory Committee. His delegation, which opposed any arbitrary cut to the budgets of MINUSTAH and other peacekeeping missions, would seek clarification during the informal consultations.

38. **Ms. Takahashi** (Norway) said that the regional approach to peacekeeping missions had demonstrated its value at the strategic and operational levels in UNAMID and UNMIS and should be enhanced, particularly in respect of the establishment of a mission in the Sudan after 9 July 2011. OIOS had provided valuable recommendations on collaboration with regional organizations.

39. She welcomed the heightened attention being paid to the environmental impact of peacekeeping activities. The greening initiatives taken by UNAMID were examples of that attention and she urged greater focus on lessons learned and best practices to help mitigate the environmental impact of peacekeeping activities.

40. High vacancy rates in peacekeeping operations such as UNAMID impeded the implementation of mandates. Her delegation supported the Advisory Committee's recommendations on measures to strengthen the recruitment and retention of qualified civilian personnel in UNAMID and encouraged the

Department of Field Support to continue its efforts to improve the recruitment process in general.

41. The Sudan faced many challenges as the secession of Southern Sudan on 9 July 2011 approached. The structure of the new peacekeeping mission, including its area of operation, had yet to be decided. The mission should be given flexibility in the use of funds during the transition and start-up phases to allow for a restructuring in line with its new mandate. When missions faced a major change in the operational context, as had also occurred in Haiti, they should have the ability to shift their priorities and use of personnel. Such increased flexibility should be accompanied by improved results-based management and oversight.

42. She called for further development of the model whereby assessed contributions were used to fund the United Nations Support Office for AMISOM, which enabled AMISOM to operate while also providing a long-term investment in African Union peacekeeping capacities. Her delegation also concurred with the Advisory Committee's recommendations on the review and simplification of activities connected with the United Nations presence in Somalia.

43. **Ms. Bourne** (Barbados) said that, at the fourteenth meeting of the Council of Foreign and Community Relations of the Caribbean Community, the Ministers for Foreign Affairs had called for a mandate for MINUSTAH that would enable it to play a greater role in Haiti's reconstruction process. They had reiterated the Community's commitment to providing technical and professional expertise to support institution- and capacity-building in Haiti and had urged the international community to provide resources to strengthen the country's institutional and structural capacities.

The meeting rose at 11.35 a.m.